



Media Contact:
Marissa Jimenez
213.694.1250 ext. 4389
Cell: 323.496.2424
mjimenez@lacare.org
<http://twitter.com/lacarehealth>

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Children's Health Coverage Saved For Thousands of L.A. Kids

*L.A. Care provides \$9 million grant to the Healthy Kids program;
Parents must return forms by June 21 to keep children enrolled*

LOS ANGELES – The Children's Health Initiative (CHI) of Greater Los Angeles announced today that it has secured \$9.01 million in funding from L.A. Care Health Plan, the nation's largest public health plan, to continue offering health coverage at low cost to existing members ages 6-18 enrolled in the locally funded Healthy Kids Program. Healthy Kids parents of existing enrollees ages 6-18 will also contribute with a modest monthly premium of \$15 per child, effective July 1, 2010. Without these funds, the Healthy Kids 6-18 program would have ended in one month; now, there is enough projected funding to continue the program for at least another 6 months.

All Healthy Kids members ages 6-18 have been notified via letter of the changes in the program. An important response form was included with the letter. Parents of Healthy Kids members ages 6-18 must return this premium increase response form received in the mail to L.A. Care Health Plan, with a postmark no later than June 21, 2010, to keep a child enrolled. For more information, please contact L.A. Care Member Services at 1.888.839.9909 or visit www.lacare.org.

Healthy Kids is a low-cost health insurance program for children who do not qualify for state sponsored programs such as Medi-Cal and Healthy Families, and who are from families with income up to 300% of the federal poverty level, or \$66,156 for a family of four.

Currently, Healthy Kids members pay \$0-\$6 a month premium per child, on a sliding scale depending on income. The actual premium cost is \$72 per child; the remainder is covered through fundraising and grants. Families also pay co-pays of \$5 for most services. Healthy Kids is comprehensive, with medical, dental and vision benefits.

Keeping the program going has been an ongoing concern for the CHI coalition and member advocates. In fact, a group of health plan members approached L.A. Care last fall to suggest that a premium increase be considered in order to generate more revenue for the program. Focus groups and a survey of Healthy Kids parents were then conducted; findings showed that 84% of the parents were willing to financially contribute more to help the program continue. As a result, families will be asked to pay a \$15 premium per child, per month, regardless of income, with a cap of \$45 per month for three or more children.

“In all my years in healthcare, I have never had people step forward and say they want to pay more to keep a program going” says Howard Kahn, CHI Co-convener and CEO of L.A. Care Health Plan. “These low-income, working families clearly value the peace of mind that comes with having their kids covered, and are willing to pay when given an affordable option.”

Along with L.A. Care's financial support, the Good Hope Medical Foundation has contributed \$800,000.

There will be no changes to the Healthy Kids 0-5 program, which is funded by First 5 LA. Premiums will remain at \$0, \$4, or \$6 per month based on income with a monthly cap of \$12.

Currently, more than 25,000 members are enrolled in Healthy Kids, with 21,800 in Healthy Kids 6-18.

The Healthy Kids 6-18 program was launched in 2004 by the CHI, a coalition of over 50 groups, led by L.A. Care and representing health care providers, private employers, business leaders, advocacy groups, foundations, public health officials and educators. The Healthy Kids 6-18 program was originally supposed to last just three years. Through fundraising, the CHI has been able to keep the program intact.

To date, the CHI has raised over \$170 million, and it has surpassed its three-year goal of providing health coverage to uninsured kids. Similar efforts to provide children's health coverage exist in other counties, but the CHI in Los Angeles is by far the largest in California.

About the Children's Health Initiative (CHI) of Greater Los Angeles

The Children's Health Initiative of Greater Los Angeles (CHI) was formed in 2003 with the overarching goal to create public policies to keep kids healthy and ensure that every child has health coverage. The CHI was created by the Children's Health Initiative Coalition — a public-private group of healthcare providers, private employers, business leaders, advocacy groups, foundations, public health officials and labor unions. Key financial supporters of the Initiative include First 5 LA, L.A. Care Health Plan, The California Endowment, Blue Shield of California Foundation, and the California Community Foundation. Healthy Kids, the flagship health insurance program for the CHI, is administered exclusively by L.A. Care Health Plan. For more information about the CHI or the Healthy Kids program, please visit www.chigla.org or call 1-888-4LA-KIDS (1-888-452-5437). A full list of Coalition participants is available upon request.

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