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EDITORIAL

Health insurance for all kids

WORDS SHOULD mean something.

"We have to make sure every child in California is insured," candidate Arnold Schwarzenegger declared while debating then-Gov. Gray Davis on Sept. 24, 2003. "That is the most important thing. I'm very passionate about children's issues. It is very important because they cannot fend for themselves. It is really terrible."

He went on to criticize Davis for not being aggressive enough in enrolling children in Healthy Families, the federally subsidized program providing insurance to low-income children.

But within weeks of taking office as governor, Schwarzenegger proposed imposing a cap on enrollments in the Healthy Families program, virtually ensuring ever longer waiting lists.

Schwarzenegger eventually backed off on his plan to cap Healthy Families. His is now trying to revive a program from the Gov. Pete Wilson era that would pay \$50 to "application assistants" to sign up new enrollees in Healthy Families. And his Health and Human Services Secretary Kim Belshé says she is working on a plan to make it even easier for kids to enroll in the program. Health coverage, Belshé told us, "is an important investment we must make in our kids, to insure that they do well in school and well in life."

After 18 months with Schwarzenegger in office, nearly 1 million children in California are still without health insurance. Meanwhile, the governor has embraced tangential issues such as teacher tenure and merit pay that were not focal points of his gubernatorial campaign.

It is not too late. The governor has a chance to fulfill his campaign pledge by supporting legislation introduced by Assemblywoman Wilma Chan, D- Oakland.

Designed to insure all children in California, Chan's legislation (AB772) will extend coverage to children from families with incomes of up to three times the federal poverty level (Healthy Families only covers those from families with incomes 2 1/2 times the federal poverty level). Cost estimates to the state range from \$112 million to \$330 million. State funds will be matched by hundreds of millions of dollars in federal funds.

Of all the numerous health proposals being debated in Sacramento, Chan's bill has the best chance of passing -- mainly because it is doable, it is not outrageously expensive, and because it moves the state toward a goal that both Democrats in the Legislature and the governor have already embraced.

Insuring all children is not a radical idea. More than 90 percent of California's children already have some kind of health coverage. Even as the number of adults without health insurance

continues to rise, the number of uninsured children in California has declined over the past several years.

This turnaround is a result of the remarkable success of a series of largely unheralded county programs. In addition to aggressively recruiting kids who are eligible for Healthy Families and Medi-Cal, these programs also offer insurance to kids from families with incomes that make them ineligible for existing programs

As result, 97 percent of children in Santa Clara County now have some form of health insurance through its pioneering Children's Health Initiative which began 2001. In San Francisco, officials say the percentage is 99 percent. Eight other counties have initiated similar programs, and another 18 also are exploring doing so as well.

These results have been achieved despite Sacramento's efforts, not because of them. In many instances, the counties have had to contribute their own funds -- San Francisco, for example, contributes more than \$5 million from its general fund. Santa Clara County has raised \$3 million from private foundations for its effort.

Some might conclude that because of the success of county-level programs, there is no need for a statewide program. In fact, county programs are showing that providing coverage for all children is a realistic goal -- and are providing a model for how it can be done.

What's more, funds for county-level programs could dry up at any point. In addition, many counties -- mostly rural ones -- don't have the capacity or resources to establish their own insurance programs, even if they had the will.

This is not a matter of choice. One way or another, Californians end up paying the cost of health care for children. Those without insurance end up in public emergency rooms funded by taxpayers, or with expensive medical conditions that could have been prevented.

Secretary Belshé advocates taking what she calls "strategically incremental" steps to deal with the problem. We think that with the goal of insuring all of California's children now in sight, a more aggressive approach is in order -- one Schwarzenegger seemed to offer when he took office. All parties should unite behind the Chan bill. If there are parts they don't like, start negotiating. But just get the job done.

Speaking the lingo, knowing what exists

Navigating the private-health-care world requires knowing your HMO from your PPO. In the public-health-care world, you need to know your CHI from your FPL. Here is a primer:

CHIs -- Children's Health Initiatives are county programs that provide health-care coverage for kids who are not eligible for Medi-Cal or Healthy Families. To date, 10 counties have CHIs: Alameda, Kern, Los Angeles, Riverside, San Bernardino, San Francisco, San Joaquin, San Mateo, Santa Clara and Santa Cruz.

In addition, 18 counties are planning CHIs: Colusa, Del Norte, El Dorado, Fresno, Marin, Mendocino, Merced, Napa, Orange, Sacramento, San Luis Obispo, San Diego, Santa Barbara, Sonoma, Tulare, Yolo, Yuba and Ventura.

Federal Poverty Level -- In 2003, the federal poverty level was \$9,573 for one person, \$12,384 for a two-person family and \$14,680 for a three-person family. Thus, 300 percent of poverty level for a family of four is about \$56, 000.

Healthy Families -- The state's insurance program for children that covers kids in families of the working poor, that is, those whose income does not exceed 250 percent of federal poverty level. It is funded by federal and state taxes at a 2-to-1 match.

Healthy Kids -- A low-cost health insurance product offered by the county CHIs to families whose incomes do not exceed 300 percent of the federal poverty level. Healthy Kids receives funding from a mix of private and public sources that include, state and local First 5 commissions, foundations and individual donors.

Medi-Cal -- A state program for the very poor funded by federal and state taxes.

Source: The California Endowment