Healthy Kids

Questions and answers

Uninsured children

Q: How many children in Oregon are uninsured?

A: There are approximately 116,000 uninsured children in Oregon. Most of these children are in working families. Many working parents make too little to afford health insurance, but too much for their children to qualify for state programs. This problem is being made worse by increases in the cost of food, gas and other necessities that make life harder for many working families.

Q: How do uninsured children receive health care now?

A: Many uninsured children receive care at safety net clinics where services are free or offered on a sliding scale. Others receive care in hospital emergency departments at a very high cost or from any provider willing to serve an uninsured child.

Frequently used acronyms

DHS	Oregon Department of Human Services
ESI	Employer-Sponsored Insurance
FHIAP	Family Health Insurance Assistance Program
FPL	Federal Poverty Level
OHP	Oregon Health Plan

Q: Why is health insurance so important?

A: Uninsured children are three times less likely to get preventive care or see a doctor as insured children. They are more likely to use expensive emergency department services for care, and are more likely to be hospitalized. If illnesses are not caught early or prevented, kids can end up in the hospital, with their families facing costs that are even higher and more difficult to afford. When families cannot pay the bills, the costs are passed on to everyone else through higher costs for medical care and higher insurance premiums. Preventing illness and keeping kids healthy also has been shown in many studies to improve school performance, reduce dropout rates and lead to more success in adulthood.

Q: Should government be responsible for providing health insurance?

A: Governor Kulongoski believes that health care for children is not the sole responsibility of state government, but is a shared responsibility of state and federal governments, families and employers. With that principle as a starting point, the Governor believes the state can begin to solve the children's health care problem by using its resources and those of the federal government to create affordable health coverage options for all children. Within three years of implementation, the Governor expects the program to reach 95 percent of Oregon's children.

For more information visit www.oregonhealthykids.gov or http://governor.oregon.gov/Gov/docs/healthy_kids_facts.pdf.

Plan design

Q: How does the plan work?

A: The plan provides coverage for all uninsured Oregon children up to age 19. The plan offers comprehensive health care coverage that includes dental, vision, mental health and physical health care. It provides options for families at all income levels, removes barriers to accessing health care coverage and builds on existing programs already available to Oregon families.

Q: Will the plan provide coverage to all children?

A: Governor Kulongoski believes it is a moral imperative to ensure that all children living in Oregon have access to health care. No child will be barred from coverage based on pre-existing medical conditions. Once enrolled, children will be able to continue in the plan for 12 months before eligibility reviews and re-enrollments are required.

Q: What are the key components of the plan?

A: The plan offers the following key components:

- Expands access to Oregon Health Plan (OHP) services for the lowest income families. The OHP Plus benefit package will be provided to children in families with incomes up to 200% of the federal poverty level (FPL).
- For families with access to employer-sponsored insurance (ESI), premium assistance will be available up to 300% of the FPL through the Family Health Insurance Assistance Program (FHIAP) on a sliding scale based on income.
- Working families with incomes at or above 200% of the FPL, without access to ESI options and who cannot afford to buy individual coverage, will have access to a new state-sponsored insurance option. Premium assistance will be provided for families earning up to 300% of the FPL.
- Families at or above 300% of the FPL will have access to private insurance plans and will pay the full premiums.

The Federal Poverty Level

The Federal Poverty Level was defined in 2009 as $22,056 for a family of four. This level is adjusted annually.

Q: Will there be any costs to families?

A: The state will subsidize coverage for families according to their income levels up to 300% FPL. Parents will pay what they can afford.

- Parents of children in families with incomes below 200% of the FPL won't pay any premiums or co-pays for OHP. Families enrolled in ESI will have co-pays, but will not pay premiums.
- Parents of children in families with incomes from 200% to 300% of the FPL will have some co-pays and will pay part of the premiums. The premium amount will be determined on a sliding scale based on income.
- Parents of children in families with incomes at or above 300% of the FPL will pay co-pays and full premium costs.

Service delivery

Q: What kind of coverage will plan children receive?

A: Children will receive comprehensive benefits including medical, dental and vision care; regular check-ups; preventive care; prescription drugs; mental health services; chemical dependency treatments; and medical equipment and supplies. Children enrolled in an ESI will have dental and vision care paid for if those features are part of the employer's plan, in addition to comprehensive medical services.

Q: How will health care be delivered to children in the plan?

A: Governor Kulongoski will use the state's resources to promote cost-effective care and bring health care to children through schools and community facilities. By following the OHP model, the state will guarantee its resources are applied to the most cost-effective forms of care. Preventive care will be encouraged. Costly and ineffective procedures will be discouraged. Further, the Governor's plan calls for expansion of school-based and community-based health services that have proved highly effective in meeting the health care needs of children.

Q: Which medical providers will serve children on the plan?

A: All children enrolled in the plan will have a health insurance card and access to services from the provider network on the plan for which they are enrolled.

Q: Does the OHP delivery system have adequate capacity to provide health care to the additional children who will qualify under the plan?

A: When the OHP was implemented in 1994, the delivery system was able to handle the additional clients. Our workforce hasn't changed significantly since then, and we don't anticipate that there will be a problem absorbing the additional children into our current delivery systems.

Insurance plans

Q: How will the plan select health insurance companies and Health Maintenance Organizations?

A: Children in families earning less than 200% of the FPL will be enrolled in managed care plans, unless the children live in an area where no managed care plans are available. Children in families earning at or above 200% of the FPL will be offered private insurance plans selected through a competitive bid process.

Q: Will all private insurance plans offer coverage equivalent to the OHP Plus benefit package?

A: Plans offered through the private insurance product will cover comprehensive medical, dental and vision care including regular check-ups, preventive care services, prescription drugs, medical equipment and supplies, and mental health and chemical dependency services. These benefits are comparable to OHP Plus benefits.

Outreach and enrollment

Q: Are there many children who qualify today but haven't applied?

A: More than half of Oregon's uninsured children — approximately 60,000 — are estimated to qualify for existing state and federally funded health care programs. There are many reasons an eligible child may not be enrolled:

- Families may not know they are eligible;
- Children who were born in the U.S. may have non-citizen parents who do not understand how to work with government agencies or who may believe their children are not eligible for health care coverage;
- Families may have language barriers;
- Families may not have access to Oregon Department of Human Services (DHS) offices because of transportation or work issues;
- Families may need help completing the application;
- Families may need help locating the necessary identification and documents; and
- Extensive outreach strategies to reach uninsured children have not been implemented because funds have not been available for such efforts.

Q: What is being done to make it easier for families to enroll?

A: Several steps are being taken to reduce enrollment barriers.

- The application process will be streamlined for both the existing and expanded health coverage programs for children. DHS has developed a shortened 3-page application that eliminates the lengthy application used in the past.
- Clients will be able to enroll online beginning July 2009. This will help working families who are unable to apply during business hours.
- Families will continue to be able to apply at DHS branch offices and outreach centers throughout the state, and to request applications by telephone and e-mail.
- Application assistance programs will be developed to help enroll and retain children in the plan.

Funding

Q: How will the plan be funded?

A: Funding for the plan is shared between the federal government and matching funds from clients, employers and health care providers.

- **Federal government** – The majority of the funding, more than 68 percent, comes from the federal government through Medicaid and the Children's Health Insurance Program (CHIP).
- **Taxes on insurers** – Rather than the General Fund, the matching dollars will come from taxes on health insurers.
- **Employers** – When working families have access to employer-sponsored insurance (ESI), the employer pays a share of the premium, thus offsetting some of the cost for the premium assistance program.
- **Clients** – Depending on their income, families may be responsible for some or all of their premiums and related copayments for either ESI or private insurance product.

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