Did the Los Angeles Children's Health Initiative Outreach Effort Increase Enrollment in Medi-Cal?

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The Los Angeles Healthy Kids program is the largest Healthy Kids program in California. Overseen by the Children's Health Initiative of Greater Los Angeles (CHI), the program provides health insurance to roughly 35,000 children in Los Angeles County. Launched initially for children ages 0 through 5 in July 2003, Healthy Kids was expanded to cover children ages 6 through 18 in May 2004. In addition to providing coverage, the Children's Health Initiative includes an outreach component through which funded community-based organizations and providers work to increase the enrollment of uninsured children into all available public programs—including Medi-Cal, Healthy Families, *and* Healthy Kids. As a result, an important policy question is whether, in addition to generating new enrollment in Healthy Kids, outreach efforts generate "spillover" enrollment into Medi-Cal and Healthy Families. This study seeks to address this question with respect to Medi-Cal[1] for the case of the Los Angeles CHI. Our study uses monthly Medi-Cal enrollment data to analyze trends in total enrollment, new enrollment, and disenrollment over a five-year period before and after the launch of L.A. Healthy Kids from January 2001 through December 2005.[2]

Background

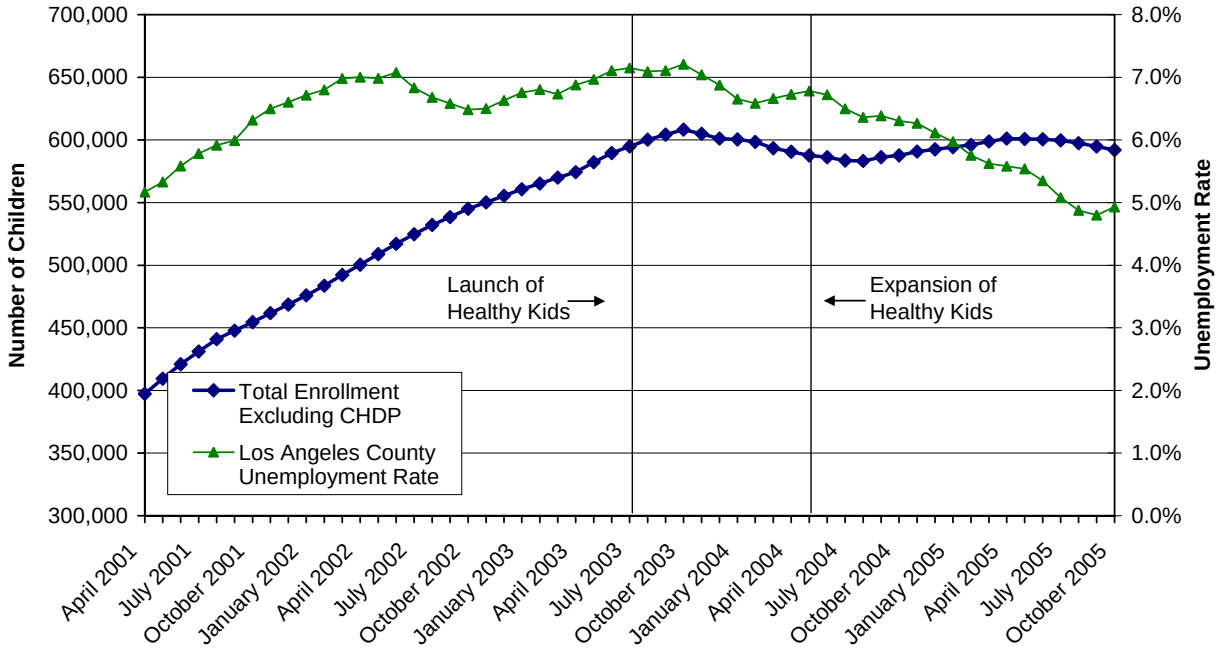
By mid-2003, several large state-funded outreach programs that had been established to increase enrollment in Medi-Cal and Healthy Families had been defunded due to budget shortfalls caused by the economic recession. Specifically, California discontinued a series of outreach contracts with schools and community-based organizations and ended its Certified Application Assistor program, both of which funded outreach and the provision of hands-on application assistance to parents of uninsured children seeking coverage. Termination of these initiatives coincided with the distribution of new outreach funds in Los Angeles County. Together, First 5 LA and The California Endowment (TCE) funded a total of 23 contractors, including health providers, the Los Angeles Unified School District, and community-based organizations that had previously provided outreach and application assistance using state funds. In effect, the CHI outreach initiative represented sustained funding in a number of locations for outreach activities that would have expired, rather than the creation of an entirely new outreach effort.

Much of the CHI outreach has been to children eligible for Medi-Cal, the largest available public insurance program. According to the Los Angeles Healthy Kids Program Evaluation, of the applications to public programs assisted by the First 5 LA and TCE contractors in the second half of 2004, 47 percent were for Medi-Cal, increasing to 60 percent in the second half of 2005.[3] Given that the majority of applications for public programs were submitted to Medi-Cal, we might expect to observe an effect on enrollment within this program.

Results

Total Enrollment. Total enrollment[4] in Medi-Cal in Los Angeles County (indicated by the blue or bottom line in exhibit 1) grew rapidly from January 2001 until June 2003, shortly before the launch of the Healthy Kids program for children ages 0 through 5. Between April 2001 and April 2003, the number of children enrolled increased by 44.6 percent. The monthly unemployment rate in California (indicated by the green line in exhibit 1) demonstrates strong correlation between the economic trend and total enrollment; large increases in enrollment occurred just prior to and during the economic downturn in 2001 and 2002, when one would expect additional families to seek assistance from public programs. Between November 2002 to April 2003, just prior to the Healthy Kids launch, total enrollment in Medi-Cal grew by 4.4 percent and reached 574,227 children. In the six-month period from July through December 2003, after the launch of Healthy Kids, Medi-Cal enrollment rose at a slower pace of 1.0 percent, and totals peaked in October at 608,258 children. Enrollment then declined steadily until August 2004, when total Medi-Cal enrollment dropped to 583,291 children, slightly below the totals achieved in October 2003, but higher than enrollment in June 2003 (589,599).

Exhibit 1. Total Enrollment in Medi-Cal through Selected Aid Codes, Ages 0-18
April 2001 – October 2005



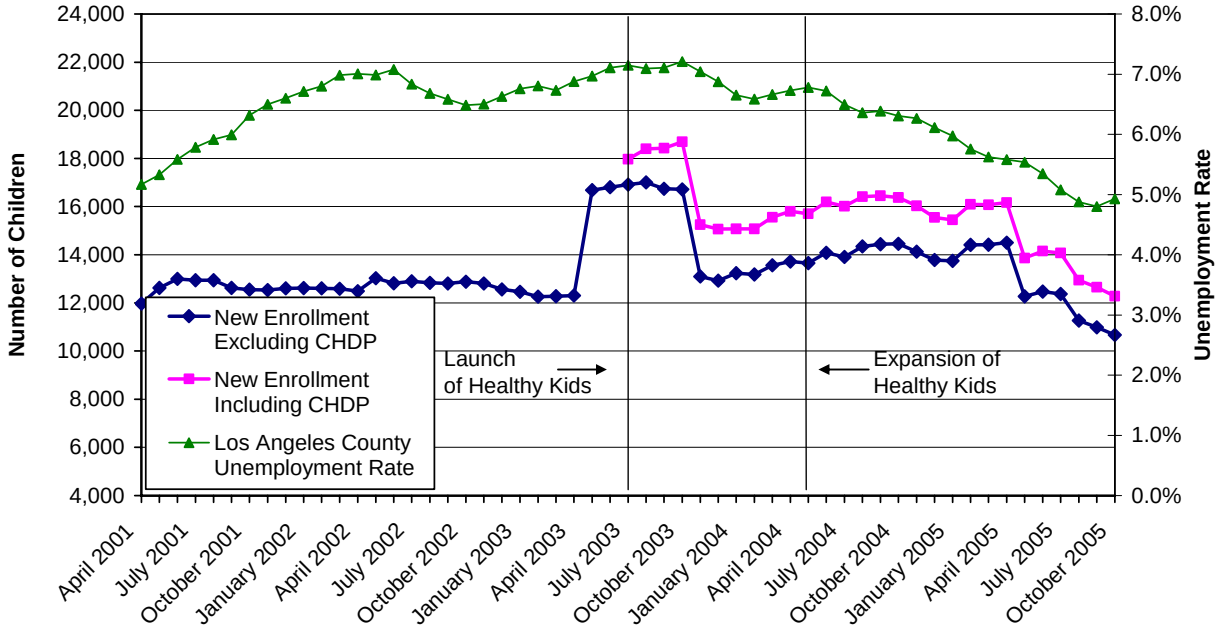
Source: Medi-Cal Enrollment data using selected aid codes for children ages 0 through 18 years; Seasonally-adjusted unemployment rate from Employment Development Department, California Labor Market Information Division, www.labormarketinfo.edd.ca.gov.

In May 2004, the Healthy Kids program was expanded to cover children ages 6 through 18. This change permitted outreach agencies to convey a simpler outreach message—that *all* low-income children could be covered by one of the available public health insurance programs—Medi-Cal, Healthy Families, or Healthy Kids—regardless of age. Although CHI outreach activities had always targeted children of all ages, there was now more certainty about the availability of public insurance coverage for families with children of all ages and of mixed

immigration status. In the six-month period after the Healthy Kids expansion—from May to October 2004—Medi-Cal enrollment remained static. Then in May 2005, enrollment began to decline. However, average monthly total enrollment remained higher through the end of 2005 than prior to the launch of Healthy Kids, despite a marked improvement in the economy, as indicated by the steadily decreasing unemployment rate.

New Enrollment. New enrollment[5] in Medi-Cal (indicated by the blue or bottom line in exhibit 2), shows little change over the two-year period prior to the launch of Healthy Kids, but surged in the months surrounding the launch. New enrollment peaked for the six-month period of May through October 2003, when about 17,000 children newly enrolled in Medi-Cal each month, constituting a 35 percent increase over the previous six-month period. Although part of this enrollment peak includes some time prior to the Healthy Kids launch, this surge may reflect the effects of outreach conducted by First 5 LA and TCE contractors because CHI funding for outreach was initiated over a six-month period leading up to the Healthy Kids program launch, and children assisted during the pre-launch period were permitted to enroll in Medi-Cal. Excluding this entire six-month spike, average new monthly enrollment still increased over the next six months post-launch by 6.8 percent—840 more children per month—when compared to the earlier pre-launch period of November 2002 to April 2003.

Exhibit 2. New Enrollment in Medi-Cal through Selected Aid Codes, Ages 0-18
April 2001 – October 2005



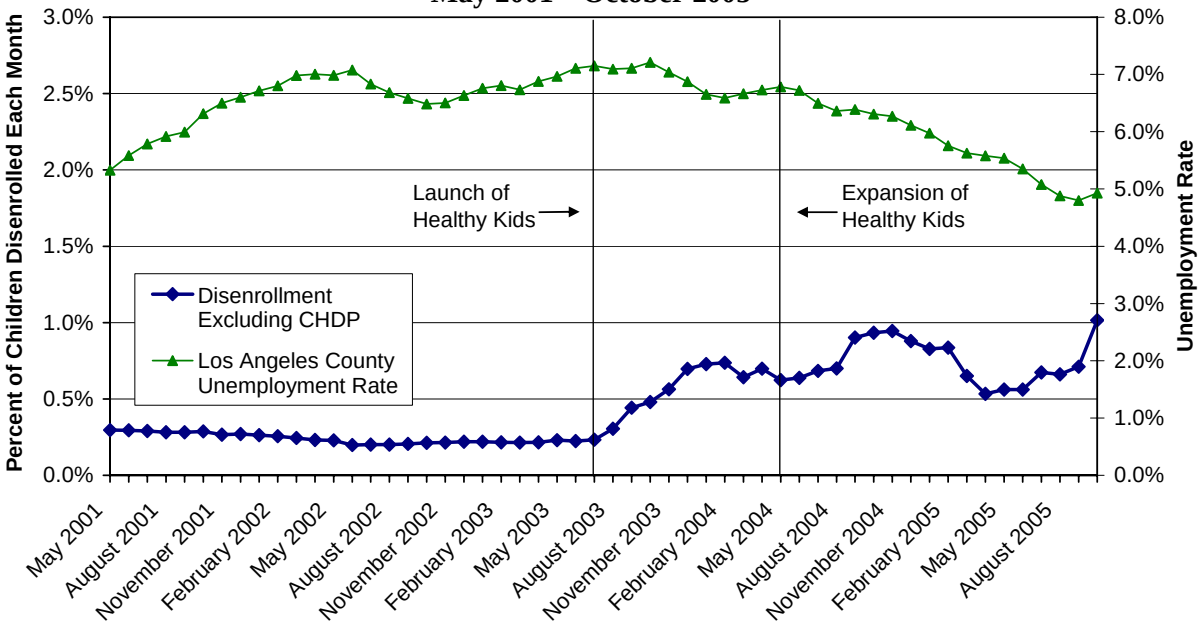
Source: Medi-Cal Enrollment data using selected aid codes for children ages 0 through 18 years; Seasonally-adjusted unemployment rate from Employment Development Department, California Labor Market Information Division, www.labormarketinfo.edd.ca.gov.

While the surge in new enrollment around the time of the launch lasted only a few months, new enrollment continued its upward trend after the surge until October 2004, well after the expansion. The upward trend in new enrollment occurred despite a change in the single point-of-entry vendor, in 2003, that was responsible for processing Medi-Cal and Healthy Families applications. This change in vendors reportedly led to a disruption in the application process around the time of the expansion (Hill, Courtot, and Wada 2006). After October 2004, average monthly new enrollment declined steadily. These declines were coincident with improvements in the economy and the enrollment hold imposed in Healthy Kids on children ages 6 through 18 years, which began in June 2005. By 2005, average monthly new enrollment had declined to 12,710, lower than observed in the six months after the expansion (14,158), though still slightly higher than observed in the year prior to the launch of Healthy Kids (12,661)[6].

CHDP Gateway Enrollment. We considered one additional factor in our analysis of new enrollment. Coincident with the launch of Healthy Kids, California's Child Health and Disability Prevention (CHDP) program created a new eligibility pathway for children needing preventive care. Called the "CHDP Gateway," this pathway allows health care providers to presumptively enroll children in Medi-Cal for the purposes of providing preventive and screening services (and receiving federally-matched Medi-Cal reimbursement). CHDP Gateway coverage lasts for up to two months, during which time parents are supposed to submit a formal application for ongoing Medi-Cal coverage, except in the case of infants. If a full application is submitted and the child is found to be eligible, he or she is enrolled in Medi-Cal for ongoing benefits. If a Gateway-covered child is found to be ineligible for Medi-Cal, or if a parent fails to submit a full application, the child is disenrolled after 60 days. While the creation of the CHDP Gateway occurred independent of Healthy Kids, its implementation at the time of the Healthy Kids launch gave health care providers who had contracts to conduct CHI outreach a new tool with which to attract uninsured children to Medi-Cal. Arguably, the two changes interacted, creating synergy in outreach resources and efforts.

We used data from six monthly cohorts of children newly enrolled through CHDP[7] to determine what share had converted from CHDP Gateway eligibility to ongoing Medi-Cal coverage after six months. This share of enrollees is likely retaining coverage over the long run. We found between 10,500 and 16,600 children enrolled each month in Medi-Cal through the CHDP Gateway across the six months examined. Of these, between 67.3 and 76.5 percent were disenrolled from Medi-Cal after six months. Between 13.2 and 18.5 percent had converted from CHDP to another Medi-Cal aid code and were receiving ongoing coverage. Our baseline estimates of new enrollment from exhibit 2 (in blue) exclude new enrollment from CHDP. We applied an average of these last percentages to future CHDP monthly enrollment counts to project additional enrollment (displayed in pink in exhibit 2) that reflects the added effect of the CHDP Gateway on new enrollment in Medi-Cal.[8] When this share of CHDP enrollment is considered, the overall changes in new enrollment after the Healthy Kids launch appear larger. We estimate that this additional enrollment through the CHDP Gateway amounted to approximately 6,819 children in the first three months of the Healthy Kids program, and over the first 12-month period our projections suggest CHDP led to additional new ongoing enrollment of 27,700 children.

Exhibit 3. Disenrollment as a Share of Total Enrollment in Medi-Cal through Selected Aid Codes, Ages 0-18 May 2001 – October 2005



Source: Medi-Cal Enrollment data using selected aid codes for children ages 0 through 18 years; Seasonally-adjusted unemployment rate from Employment Development Department, California Labor Market Information Division, www.labormarketinfo.edd.ca.gov.

Disenrollment. Disenrollment[9] from Medi-Cal as a share of enrollment increased by 213 percent between the six-month period prior to Healthy Kids implementation and the six-month period after implementation (exhibit 3). Calculating this trend using several different methods resulted in somewhat different levels but the same finding of a marked increase in disenrollment. (Data presented exclude children who disenrolled from Medi-Cal through CHDP Gateway.) Average disenrollment rose after the expansion of Healthy Kids in May 2004 as well, rising by 46.1 percent between the six-month periods before and after the expansion. These trends may have contributed to the decline in total enrollment over the same period.

Conclusions

Our study is limited in its ability to enumerate the magnitude of the "spillover" impact of CHI outreach in Los Angeles County on Medi-Cal enrollment, given the challenge of sorting out the independent effects of the recession and economic recovery during the study period, and the creation of the CHDP Gateway eligibility pathway at the same time as the Healthy Kids implementation. However, this study succeeds in demonstrating three important trends:

- First, new Medi-Cal enrollment increased after the launch of Healthy Kids, and continued its steady growth after the program's expansion. This upward trend occurred during an economic recovery when we might otherwise expect new enrollment to decline. This trend suggests that outreach efforts brought new eligible children into Medi-Cal coverage at a time when the number of eligible children may have actually been shrinking.

- Second, even though more than two-thirds of CHDP Gateway enrollees did not convert to full eligibility, those children that did contributed to increased enrollment in Medi-Cal. CHDP appears to have provided outreach contractors, especially those in health care settings, with a useful strategy to attract new children to Medi-Cal. These efforts combined to support substantial gains in total enrollment for at least two years after the launch of Healthy Kids, but eventually both new and total enrollment eroded as the economy improved through 2005 and the total number of children eligible for Medi-Cal declined.

- Third, Medi-Cal disenrollment among children was higher after Healthy Kids was implemented than before implementation, and rose again after Healthy Kids was expanded in 2004. The upswing in the economy (and concomitant increases in household income) may have resulted in reduction in the number of families with children eligible for ongoing Medi-Cal coverage at the time of renewal. To the extent that this occurred, fewer children would have retained coverage, and disenrollment would have increased.

In combination, these findings suggest that outreach efforts funded through the Children's Health Initiative in Los Angeles did contribute to a modest increase in Medi-Cal enrollment, probably heading off a decline in new Medi-Cal enrollment that likely would have occurred as state funds supporting outreach and application assistance were retracted and as the economy improved. However, these efforts did not appear to offset corresponding increases in Medi-Cal disenrollment. The findings are consistent with those of an analysis of the statewide impact of CHI outreach on Medi-Cal and Healthy Families enrollment that found small positive effects on total and new enrollment in both programs statewide in counties that implemented CHIs (see Kronick et al 2007). This study's finding of no impact on disenrollment is not surprising, because many outreach contractors in Los Angeles County, during the early years of Healthy Kids implementation, focused their efforts primarily on enrollment. Furthermore, community-based outreach staff reportedly have little ability to track a child's eligibility status after he or she is enrolled in Medi-Cal.[10] Additionally, this evidence points to the ongoing challenge of coordinating coverage initiatives across state and county agencies and community-based organizations.

Notes

[1] Enrollment data for the Healthy Families Program were not available for analysis.

[2] County-specific monthly enrollment data were obtained from the California Department of Health Services in collaboration with the University of Southern California (USC), Center for Community Health Studies. Both this analysis and a USC study of statewide impacts limit analyses to Medi-Cal eligibility aid codes most sensitive to a spillover effect. Certain aid codes for persons eligible for pregnancy-related, post partum, and family planning services only were included in the analysis, as such enrollees may have been influenced to enroll as a result of CHI outreach. But other aid codes covering special populations and medically indigent were excluded from analysis. (See Richard Kronick et al. 2007.) The eligibility codes used include seven coverage groups and are listed in Appendix Table A.

[3] See exhibit 3 of Sommers et al (2006).

[4] Enrollment figures throughout the report were calculated as six-month rolling averages to smooth out spikes in enrollment typically found in program data that can occur when applications are processed in batches or due to other administrative systems processes. Where we refer to a single month of enrollment, we are referring to the six-month rolling average for that month, based on the actual enrollment for that month, the three months before it, and the two months after it.

[5] New enrollees in Medi-Cal are defined as recipients in the month who were not enrolled in Medi-Cal during the preceding six months. By defining new enrollees in this way, we exclude children who cycle off and on Medi-Cal for short periods of time.

[6] Based on average monthly data prior to the launch from May 2002 through April 2003, excluding the "spike."

[7] CHDP enrollment codes include state enrollment codes 8U, 8V, 8W, 8X, 8Y, and are described in Appendix Table B.

[8] Based on estimates obtained from cohorts enrolling in July-September 2003 and averaged over the months, we applied 18.1 percent of CHDP enrollment to our totals through December 2003. Based on averages obtained from cohorts enrolling in January to March 2004, we applied 15.1 percent of CHDP enrollment to our totals from January 2004 forward. We found that the percentage of children enrolling through CHDP and converting to guaranteed coverage six months decreased in later months, but the absolute number of children enrolling through CHDP rose over the period.

[9] Because disenrollment affects total enrollment, we calculated disenrollment as a percentage of total enrollment in each month. These estimates are displayed as six-month rolling averages in the graphs to account for spikes in disenrollment that can occur when enrollees are periodically purged from the program when eligibility has expired.

[10] Outreach has since shifted to include a strong emphasis on retention in all programs after an enrollment hold was imposed in the Healthy Kids program in June 2005 for children ages 6 through 18.

References

Hill, Ian, Brigette Courtot, and Eriko Wada. 2006. "A Healthy Start for the Los Angeles Healthy Kids Program: Findings from the First Evaluation Case Study." Washington, DC: Urban Institute. http://www.urban.org/url.cfm?ID=411259.

Kronick, Richard, et al. 2007. "Have Children's Health Initiatives Increased Enrollments in Medi-Cal and Healthy Families?" Los Angeles: University of Southern California.

Sommers, Anna, Eriko Wada, Ian Hill, Moira Inkelas, and Josh McFeeters. 2006. "Los Angeles Healthy Kids Evaluation Semi-Annual Process Monitoring Report: Third and Fourth Quarters 2005." Washington, DC: The Urban Institute.

Appendix Table A
California Medi-Cal Eligibility Codes Used in Analysis

Eligibility Code	Description
Aid to Families with Dependent Children (AFDC)	
34	AFDC - Medically Needy
3N	AFDC - Mandatory Coverage Group Section 1931(b). Non-CalWORKs.
Income Disregard Program	
44	200 Percent Federal Poverty Level (FPL) Pregnant. (Income Disregard Program - Pregnant). Provides eligible pregnant women of any age with family planning, pregnancy-related and postpartum services.
47	200 Percent FPL Infant. (Income Disregard Program - Infant). Provides full Medi-Cal benefits to eligible infants up to 1 year old or continues beyond 1 year when inpatient status, which began before first birthday, continues and family income is at or below 200 percent of the federal poverty level.
48	200 Percent FPL Pregnant. (Income Disregard Program - Pregnant Omnibus Budget Reconciliation Act [OBRA]). Provides eligible pregnant aliens of any age without satisfactory immigration status with family planning, pregnancy-related and postpartum services.
Asset Waiver Program	
70	Pregnant - United States Citizen, Permanent Resident Alien/PRUCOL Alien or Undocumented/Nonimmigrant Alien (but otherwise eligible).
75	Pregnant - Amnesty Aliens.
133% Program - Child	
72	United States Citizen, Permanent Resident Alien/PRUCOL Alien.
8P	United States Citizen (with excess property), Permanent Resident Alien/PRUCOL Alien.
100% Program - Child	
7A	United States Citizen, Lawful Permanent Resident/PRUCOL/(Immigration Reform and Control Act [IRCA] Amnesty Alien [Aged, Blind, or Disabled (ABD) or under 19]).
8R	United States Citizen (with excess property), Lawful Permanent Resident/PRUCOL/(IRCA Amnesty Alien [ABD or under 19]).
Continuous Eligibility for Children Program	
7J	Provides full-scope benefits to children up to 19 years of age who would otherwise lose their no Share of Cost Medi-Cal.
Accelerated Enrollment	
8E	Provides immediate, temporary, fee-for-service, full-scope Medi-Cal benefits to certain children under the age of 19.

Source: California Department of Health Care Services. 2007. "Aid Codes Master Chart."
http://files.medi-cal.ca.gov/pubsdoco/publications/masters-MTP/Part1/aidcodes_z01c00.doc.

Appendix Table B
California Medi-Cal Eligibility Codes for the Child Health and Disability Prevention (CHDP) Program

Eligibility Code	Description
8U	CHDP Gateway - Deemed Eligible Infant. Provides full-scope, no Share of Cost Medi-Cal benefits.
8V	CHDP Gateway - Deemed Eligible Infant. Provides full-scope Medi-Cal benefits with a Share of Cost.
8W	CHDP Gateway - Pre-enrollment for Medi-Cal.
8X	CHDP Gateway - Pre-enrollment for Healthy Families.
8Y	CHDP eligible children who are also eligible for Medi-Cal emergency, pregnancy-related and long term care services.

Source: California Department of Health Care Services. 2007. "Aid Codes Master Chart." http://files.medi-cal.ca.gov/pubsdoco/publications/masters-MTP/Part1/aidcodes_z01c00.doc.