

OVERVIEW OF KENTUCKY MEDICAID AND KCHIP

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Insurance Program (KCHIP)

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Background

- Medicaid was signed into law July 30, 1965 by President LBJ
- Created to provide medical benefits to low income people who did not have adequate health insurance coverage:
 - Low income children deprived of parental support and their caretaker relatives
 - Elderly (age 65 and older)
 - Blind
 - Disabled
- Federal-state program. States administer within Federal guidelines. Costs shared between federal and state governments – KY program approx. 70% federally funded

Moving Forward

Recognized need to provide health care to additional populations which resulted in changes to system:

- 1986 – Pregnant women and infants (under age 1) at or below 100% of FPL was established as a state plan option under Medicaid;
- 1989 – Pregnant women and children under age 6 and at 133% of FPL federally mandated under Medicaid (KY covers pregnant women at or below 185% of FPL);
- 1997 – Balanced Budget Act of 1997 created the State Children's Health Insurance Program (SCHIP)

Why SCHIP?

- Estimated 10 million children lacked health insurance nationwide in 1997
- SCHIP was created for uninsured children who are not eligible for Medicaid because their families' incomes are too high, but they also do not make enough money to pay for private health insurance

Medicaid vs. SCHIP

- Medicaid:
 - Entitlement program
 - Individuals of all ages
 - Can be covered by other insurance
- SCHIP:
 - Capped grant program
 - Children under age 19
 - Uninsured
- Both Programs tied to FPL

What is Poverty?

2011 Federal Poverty Levels - Monthly Income

FAMILY SIZE	100% FPL	101>133% FPL	185% FPL	151>200% FPL
1	\$908	\$1,207	\$1,679	\$1,815
2	\$1,226	\$1,631	\$2,268	\$2,452
3	\$1,545	\$2,054	\$2,857	\$3,089
4	\$1,863	\$2,478	\$3,446	\$3,725
5	\$2,181	\$2,901	\$4,035	\$4,362
6	\$2,500	\$3,324	\$4,624	\$4,999
7	\$2,818	\$3,748	\$5,213	\$5,635
8	\$3,136	\$4,171	\$5,802	\$6,272

2011 Average Kentucky Insurance Premiums

- Single
 - \$4,683
 - \$886 employee contribution
 - \$3,797 employer contribution
- Family
 - \$13,352
 - \$3,060 employee contribution
 - \$10,292 employer contribution
- Plus Once
 - \$9,079
 - \$2,076 employee contribution
 - \$7,003 employer contribution

Source: www.statehealthfacts.org



Key Stats

	Kentucky Median Income	Annual Insurance Premiums	Percent of Annual Income
2-person families	\$44,876.00	\$3,060.00	7%
3-person families	\$53,457.00	\$3,060.00	6%
4-person families	\$63,825.00	\$3,060.00	5%
5-person families	\$60,077.00	\$3,060.00	5%
6-person families	\$57,136.00	\$3,060.00	5%
7-or-more-person families	\$53,879.00	\$3,060.00	6%

Median Income amount obtained from U.S. Census Bureau:

<http://www.census.gov/hhes/www/income/data/statemedian/index.html>



Insurance Premiums for Individuals Living in Poverty

Family of 2

FPL	Income Limit	Annual Premiums	Percent of Annual Income
100%	\$14,712.00	\$3,060.00	21%
133%	\$19,572.00	\$3,060.00	16%
200%	\$29,424.00	\$3,060.00	10%

Insurance Premiums for Individuals Living in Poverty

Family of 4

FPL	Income Limit	Annual Premiums	Percent of Annual Income
100%	\$22,356.00	\$3,060.00	14%
133%	\$29,736.00	\$3,060.00	10%
200%	\$44,700.00	\$3,060.00	7%



Kentucky Children's Health Insurance Program (KCHIP)

- Program established in 1998
- Capped Grant – SCHIP, Title XXI of Social Security Act
- 80% Federal match rate in Kentucky
- Only Children are Eligible:
 - Under age 19
 - Not covered by other health insurance
 - Under 200% of the Federal Poverty Level



Benefit Package

- Inpatient Hospital
- Outpatient Hospital
- Emergency Services
- Outpatient Surgery
- Physician, Nurse Practitioner and Primary Care Services
- **Early and Periodic Screening, Diagnosis and Treatment (Well Child Care and Special Services)**
- Preventive Services in Health Departments
- Vision Care
- Hearing Care
- Dental Services
- Family Planning Services
- Pharmacy
- Lab and X-ray
- Home Health
- Therapies (Physical, Speech and Occupational--limited settings)
- Medical Equipment and Supplies
- **Transportation (emergency and non-emergency)**
- Renal Dialysis
- Hospice
- Nursing Home Care
- Inpatient Mental Health Services
- Outpatient Mental Health Services
- Early intervention for infants and toddlers with disabilities
- Services provided by school districts for children with disabilities
- Some additional specialized services for people with disabilities



2008 KCHIP Outreach and Enrollment Changes

- Simplified application process;
- Trained community partners regarding the new application process
 - Family Resource and Youth Services Center (FRYSC)
 - Local health departments
 - Advocacy organizations
 - Medicaid providers;
- Developed new outreach materials;
- Audio news releases;
- State fair;
- Back-to-school campaigns



Kentucky's Success

- Since November 1, 2008 Kentucky has increased the net number of children enrolled in Medicaid and KCHIP by 55,000
- Average of 2,931 new children per month in CY2009
 - 1,335 per month in CY2008
 - 450 per month in CY2007
- 80% of newly enrolled children were enrolled in Medicaid



Factors that led to Success in KY

- **Leadership;**
- **Simplification of enrollment procedures;**
- **Grassroots outreach efforts;**
- **Training and partnering with community to assist with outreach**
 - **Providers**
 - **Health Departments**
 - **Schools**
 - **Advocacy organizations**
 - **Faith based organizations**
 - **Child care centers**
 - **Foundations**
- **Marketing: Focus on uninsured children rather than poverty level**



Key Stats – Medicaid and KCHIP

- \$6 Billion Budget – approximately 24% of overall state budget
- 38,000 Providers
- Enrollment
 - Medicaid 757,787 (433,000 children – 57%)
 - KCHIP 64,180
 - Total 821,967
- Medicaid covers 1 out of every 3 Kentucky births
- Medicaid covers approx. 70% of all Nursing Home Care in Kentucky
- 24,081 PCPs
 - 1 for every 34 recipients
- 1,307 Dentists
 - 1 for every 629 recipients



2010 Key Stats

- Approximately 57% of children enrolled in Medicaid and KCHIP received a well-child check
- Approximately 43% of children received dental treatment

Issues and Future Direction

- Managed Care Initiative
- Health Care Reform
 - Increased enrollment of newly eligible population
 - Beginning in 2014 Affordable Care Act extends Medicaid to all non-Medicare individuals under age 65 with income up to 133% of FPL
 - Childless adults
 - Funding
- Access to Care

Dental Stats

The following counties have no Medicaid enrolled dentist to serve Medicaid and KCHIP children:

• Gallatin	1,599
• Garrard	2,427
• Henry	2,235
• Livingston	1,254
• Menifee	1,336
• Robertson	366
• Spencer	1,669

TOTAL Children Enrolled in Counties without dentist	10,886
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