Renewal Policy Changes and Enrollment in the Florida Healthy Kids Program

A Report Prepared for the
Florida Healthy Kids Corporation

Prepared By

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I. EXECUTIVE SUMMARY

In State Fiscal Year (SFY) 2004-2005, the renewal process for the Florida Healthy Kids Program changed from a passive process to an active process by requiring all families to provide documentation to verify program eligibility during each redetermination period. The Institute for Child Health Policy (ICHP) was asked to address the following aspects of the new renewal process: (1) renewal dispositions of families who were due to renew coverage in the Florida Healthy Kids Program after the policy change went into effect; (2) sociodemographic and health status characteristics of children whose families completed the renewal process compared to those who did not complete the renewal process; (3) the effectiveness of different outreach strategies designed to promote renewal; and (4) families' experiences with the renewal process. The following data sources were used to conduct this study: (1) administrative enrollment data provided by the Florida Healthy Kids Corporation; (2) health care claims and encounter data submitted by all of the health plans participating in the Florida Healthy Kids Program; and (3) telephone survey data from a random sample of families who were due to renew their children's coverage during the first six-month redetermination period after the policy change went into effect.

Renewal Outcomes

- Approximately 73 percent of children renewed their coverage and were continuously enrolled in one of the four KidCare program components during the six months following the renewal date. Another 3 percent were disenrolled and then reinstated, and the remaining 23 percent disenrolled and were not reinstated during the six month post-renewal period.
- Of those who disenrolled and did not later re-enroll, 67 percent were cancelled due to renewal, and 11 percent were cancelled due to premium non-payment.

Health and Sociodemographic Characteristics

The health and sociodemographic characteristics show several differences between those children who remained continuously enrolled and those who disenrolled:

- Health status varied significantly between the two groups (χ^2=1069.34; p<.0001) with somewhat higher percentages of children with significant acute conditions in the continuously enrolled group compared to the disenrolled groups.
- Age varied significantly (χ^2=131.18; p<.0001). A larger percentage of children in the 12 to 18 year old age cohort were disenrolled than those in the 5 to 11 year old age cohort.
- Income varied significantly between the two groups (χ^2=360.14; p<.0001). In the disenrolled and not reinstated group, there is a higher percentage of children with incomes below 150% FPL and above 200% FPL, and a smaller percentage of children who are in the 151% FPL to 200% FPL income range compared to children who were continuously enrolled or who were disenrolled and reinstated.

Family Surveys

- Half of the respondents who renewed their children's coverage found the renewal process to be somewhat or much more difficult than it needed to be, compared to 67 percent of those who did not renew their children's coverage.
- More than 70 percent of all respondents indicated that they somewhat or strongly agreed that they are asked for too much background paperwork during the renewal process.
- Families seeking assistance during the renewal process had difficulty getting help: only 40 percent of all respondents who tried to get help from the toll-free number indicated that they were able to reach someone easily.

- Renewers were more likely than non-renewers to remember being contacted by mail (95 percent versus 75 percent) or telephone (41 percent versus 23 percent) about renewal.
- The two main reasons given for renewing coverage were: (1) families want to ensure that their children have health insurance and (2) families cannot afford other coverage.
- The two main reasons given for not renewing coverage were: (1) families did not think they would be eligible anymore and (2) families could not get the background information required.
- Although renewers indicated greater program satisfaction than non-renewers, indicators of program dissatisfaction do not seem to be strong factors in families' decision-making about renewal: only 4 percent of non-renewers cited general dissatisfaction with the program as a reason for not renewing.
- Only 36 percent of children whose coverage was not renewed had obtained another source of health insurance; 64 percent were uninsured. The two main reasons families gave for not having another source of coverage were: (1) they cannot afford it and (2) they are waiting to get back into the Healthy Kids Program.

Implications

- The Healthy Kids Corporation may want to target families of adolescents, lower income families, and those whose children are healthy for follow-up during the renewal process.
- Focusing on the renewal process is important because 64 percent of children whose coverage was not renewed were uninsured at the time of the survey. Uninsured children are at risk for poor access to needed health care services.
- One barrier to renewal that families note is the required supporting documentation. Strategies to make this part of the renewal process easier should also be considered.

II. BACKGROUND

In State Fiscal Year (SFY) 2004-2005, the renewal process for the Florida Healthy Kids Program changed from a passive process to an active process by requiring all families to provide documentation to verify program eligibility during each redetermination period.[1] In the past, families whose children were enrolled in Healthy Kids (and other Title XXI KidCare components) received a letter notifying them about renewing their children's coverage. Families were asked to contact the program to report any changes or to update information about their income and health insurance coverage. Much like the former application process, reported changes during the renewal phase were self-attested. Nonrespondent families with no changes to report maintained Healthy Kids coverage for their children if they continued to pay their premiums. Accounts were updated for families reporting changes, and their children remained enrolled in the program if they continued to pay their premiums.

Beginning on July 1, 2004, the renewal process became an active one requiring information from all families participating in the Florida Healthy Kids Program. During the redetermination process, all families are now required to complete a Renewal Request form supplemented with (1) proof of income[2] and (2) information about their access to employer-sponsored family coverage and the cost of such coverage if it is available to them. If families do not respond, their children are disenrolled from the program.

As part of the 2005-2006 Florida Healthy Kids Program evaluation, the Institute for Child Health Policy (ICHP) was asked to address the following aspects of the new renewal process: (1) renewal dispositions of families who were due to renew coverage in the Florida Healthy Kids Program after the policy change went into effect; (2) sociodemographic and health status characteristics of children whose families completed the renewal process compared to those who

did not complete the renewal process; (3) the effectiveness of different outreach strategies designed to promote renewal; and (4) families' experiences with the renewal process. To do so, the following data sources were used:

1. Enrollment files provided by the Florida Healthy Kids Corporation. The enrollment files contain information about the child's age, gender, family income, and enrollment status. This information was used to identify which children were up for renewal from September 1, 2004 through February 30, 2005, which covers the first six-month redetermination period after the policy change went into effect, and whether they successfully renewed their coverage or were disenrolled. These renewals constituted the first complete renewal cycle after the change from a passive renewal process to an active renewal process. These enrollment files were linked to enrollment files provided by the Department of Children and Families in order to identify children who transferred from Healthy Kids to Medicaid.
2. Health care claims and encounter data submitted by all of the health plans participating in the Florida Healthy Kids Program. The person-level claims and encounter data contain Physician's Current Procedural Terminology (CPT) codes and International Classification of Diseases, 9th Revision (ICD 9-CM) codes. Claims and encounter data from July 1, 2003 through June 30, 2004 were used to characterize the children's health status prior to the program changes.
3. Telephone survey data from a random sample of families who were up for renewal from September 2004 through February 2005. Samples were selected from the application and enrollment files provided by the Florida Healthy Kids Corporation and maintained at the Institute for Child Health Policy. The surveys were conducted

from June 2005 through August 2005 in both English and Spanish. A total of 588 interviews were conducted with 301 interviews of families who successfully renewed their children's coverage and 287 interviews of families who had not completed the renewal process at the time of the interview.

III. Renewal Process and Outreach Strategies

To implement the new renewal policy, the Florida Healthy Kids Corporation sent Renewal Request forms to all active accounts between July 2004 and December 2004 for renewals due during the months of September 2004 through February 2005. These renewals constituted the first complete renewal cycle after the change from a passive renewal process to an active renewal process. Renewal letters were sent out approximately two months in advance of the renewal date. Families had approximately six weeks from the date of the renewal letter to submit their Renewal Request. If families did not submit anything within these six weeks, their accounts were cancelled; but they could have been reinstated if they submitted documentation prior to their renewal date.[3] Applicants who submitted any renewal documents prior to their renewal date were granted 120 days from their renewal date to complete the renewal process before they were cancelled. For example, renewal forms were mailed at the beginning of November 2004 for enrollees who had a renewal date of January 1, 2005. In mid-December letters were sent to families who had not yet submitted any renewal documents to inform them that their accounts would be cancelled effective January 1. Applicants had until April 30, 2005 to complete the process if at least one renewal document was received prior to January 1, 2005. If these applicants did not complete the process by April 30, their children were disenrolled from the program effective May 1, 2005.

To assist families with this new process, the Florida Healthy Kids Corporation implemented "Project Pathfinder." Project Pathfinder refers to a statewide, re-enrollment campaign designed to ensure that eligible children continue to receive health benefits. The outreach efforts included a series of letters, personal phone calls, and automated phone calls, as well as a targeted "door-to-door" campaign that included in-person visits to households in areas with high non-response rates. An assessment of these outreach activities is contained in a separate report entitled "Project Pathfinder: Assessing Renewal Outreach in the Florida Healthy Kids Program."

IV. POST-RENEWAL ENROLLMENT PATTERNS

The enrollment patterns for children who were up for renewal in the Florida Healthy Kids Program from September 1, 2004 through February 30, 2005 were used to examine their continuity of coverage. Children were considered up for renewal if their families received a renewal letter during the period July 2004 through December 2004. In addition, the following enrollment criteria were applied: (1) only those children who were enrolled in Healthy Kids in each of the two months prior to their renewal date were included and (2) children age 18 at the time of renewal were excluded (so that those who were aging out of the program were not included in the analyses).

The enrollment patterns for children up for renewal are examined for the six months following their renewal date. The children are classified into three enrollment categories: (1) continuously enrolled, (2) disenrolled and reinstated, and (3) disenrolled and not reinstated. *Continuously enrolled* children are defined as those children who were in the Florida Healthy Kids Program when they were up for renewal and who have continuous coverage in any of the

four KidCare program components – Healthy Kids, MediKids, CMS, or Medicaid – for the six months following their renewal due date, allowing for no more than a one month lapse in coverage. These children are considered to have successfully renewed their coverage. Although the children examined in this study were enrolled in Healthy Kids at the time of renewal, subsequent coverage in any of the four programs is indicative of continuity of coverage and a successful renewal. Children classified as *disenrolled and reinstated* are those children who were not enrolled in any of the four program components for at least two consecutive months after the renewal date and then (after the disenrollment spell) are reinstated with enrollment in any of the four KidCare programs for at least two consecutive months within the six month post-renewal period. The "disenrolled and reinstated" children might also be considered "renewed with a break in coverage." Children are considered to be *disenrolled and not reinstated* if they were disenrolled for at least two consecutive months and were not later re-enrolled in any of the four KidCare program components (or any combination of these programs) for at least two consecutive months. Current data availability only permit an examination of enrollment patterns for six months after the renewal date, so we do not know how many of the disenrolled children may return to the program after a longer time period.

Of the 270,333 children included in this analysis, approximately 73 percent renewed their coverage and were continuously enrolled in one of the four KidCare program components during the six months following the renewal date (Table 1). Another 4 percent were disenrolled and then later reinstated. The remaining 23 percent were disenrolled and were not reinstated during the six month period following the renewal date. Of those who were disenrolled and were not reinstated, 67 percent show an "account status reason" in the administrative records of "cancelled

due to renewal." Therefore, failure to complete the renewal process accounts for most of the disenrollment.

Table 1: Enrollment Patterns of Children Up for Renewal During the Six Months Following the Renewal Date
Renewal Dates: September 2004 – February 2005

	Frequency	Percent	Cumulative Frequency	Cumulative Percent
Continuously Enrolled	197604	73.10	197604	73.10
Disenrolled and Reinstated	10117	3.74	207721	76.84
Disenrolled and Not Reinstated	62612	23.16	270333	100.00

To put these percentages into context, earlier analyses of the SCHIP programs in Kansas, New York, and Oregon found large drops in enrollment at the time of redetermination, with approximately 33 percent to 50 percent of children becoming disenrolled. A significant portion of these children, however, re-enrolled within two months. Analyses of Florida's SCHIP program conducted at the same time found no spike in disenrollment at the time of redetermination, with only 5 percent disenrolled (using the passive renewal process).[4] These findings suggest that Florida's active redetermination process is associated with greater disenrollment from Healthy Kids relative to the passive renewal process, but also less disenrollment associated with an active renewal process than has occurred in other SCHIP programs (i.e., New York, Kansas, and Oregon).

Tables 2 and 3 show the programs that the children were last enrolled in (during the six-month post renewal period) for those who remained continuously enrolled or who were disenrolled and reinstated. The "last program of record" is the program that the child was enrolled in during the last month of the post-renewal period being examined (i.e., the sixth month following the renewal date). Of the 197,604 children who remained continuously enrolled, almost 89 percent were enrolled in Healthy Kids in the sixth month following renewal (Table 2).

Approximately 11 percent had moved to Medicaid coverage and less than one percent switched to CMS or MediKids.

Table 2: Last Program of Record for Continuously Enrolled Children
Renewal Dates: September 2004 – February 2005

Program	Frequency	Percent	Cumulative Frequency	Cumulative Percent
CMS	269	0.14	269	0.14
Healthy Kids	175358	88.74	175627	88.88
MediKids	3	0.00	175630	88.88
Medicaid	21974	11.12	197604	100.00

Of the 10,117 children who disenrolled and later re-enrolled, 72 percent were enrolled in Healthy Kids in the sixth month following re-enrollment (Table 3). Approximately 25 percent had moved to Medicaid coverage and less than one percent switched to CMS or MediKids. Two percent showed no enrollment in any program (i.e., they were back out again), and are indicated as "no program component."

Table 3: Last Program of Record for "Disenrolled and Reinstated" Children
Renewal Dates: September 2004 – February 2005

Program	Frequency	Percent	Cumulative Frequency	Cumulative Percent
No program component	230	2.27	230	2.27
CMS	23	0.23	253	2.50
HK	7299	72.15	7552	74.65
MediKids	4	0.04	7556	74.69
Medicaid	2561	25.31	10117	100.00

V. SOCIODEMOGRAPHIC AND HEALTH CHARACTERISTICS OF RENEWERS AND NON-RENEWERS

A. Measures Used

The Clinical Risk Groups (CRGs) was used to classify enrollees' health status. This system classifies individuals into mutually exclusive clinical categories by reading ICD-9-CM diagnosis codes from all health care encounters, except those associated with providers known to frequently report unreliable codes (e.g., non-clinician providers and ancillary testing providers).[5] It assigns all diagnosis codes to a diagnostic category (acute or chronic) and body system, and assigns all procedure codes to a procedure category. Each individual is grouped to a hierarchically defined core health status group, and then to a CRG category and severity level, if chronically ill.

Chronic and acute illnesses are generally classified only if there has been at least two outpatient encounters for that diagnosis separated by at least a day. There are a few diagnoses that require only one outpatient encounter based diagnosis, and these include the codes for mental retardation, Down's Syndrome, blindness, and procedural codes such as chemotherapy and renal dialysis. Enrollees in the program for six months or longer are included in the analyses. Some continuity of enrollment is required to classify individuals accurately. The health status classifications of children meeting the enrollment criteria are reported in these analyses. The health status of children not meeting the enrollment criteria is reported as "not classified." The CRG health status categories are defined below:

Healthy includes children who were seen for preventive care and for minor illnesses. This category also includes children who were enrolled but did not use health care services during the classification period.

Significant Acute Conditions are those acute illnesses that could be precursors to or place the person at risk for developing a chronic disease. Examples in this group are head injury with coma, prematurity, and meningitis.

Minor Chronic Conditions (both ***single minor*** and ***multiple minor***) are those illnesses that can usually be managed effectively throughout an individual's life with typically few complications and limited effect upon the individual's ability, death and future need for medical care. This category includes attention deficit / hyperactive disorders (ADHD), minor eye problems (excluding near-sightedness and other refractory disorders), hearing loss, migraine headache, some dermatological conditions, and depression.

Moderate Chronic Conditions are those illnesses that are variable in their severity and progression, but can be complicated and require extensive care and sometimes contribute to debility and death. This category includes asthma, epilepsy, and major depressive disorders.

Dominant Chronic Conditions are those illnesses that are serious, and often result in progressive deterioration, debility, death, and the need for more extensive medical care. Examples in this group include diabetes, sickle cell anemia, chronic obstructive lung disease and schizophrenia.

Chronic Pairs and Triplets are those individuals who have multiple primary chronic illnesses in two (Pairs), or three or more body systems (Triplets).

Metastatic Malignancies include acute leukemia under active treatment and other active malignant conditions that affect children.

Catastrophic Conditions are those illnesses that are severe, often progressive, and are either associated with long term dependence on medical technology, or are life defining conditions that dominate the medical care required. Examples in this group include cystic

fibrosis, spina bifida, muscular dystrophy, respirator dependent pulmonary disease and end stage renal disease on dialysis.

For these analyses, the CRG categories were grouped as follows: (1) Healthy, (2) Significant Acute, (3) CSHCN – Minor Conditions (single minor conditions and multiple minor conditions), (4) CSHCN – Moderate Conditions, (moderate chronic conditions), and (5) CSHCN – Major Conditions, (dominant chronic, chronic pairs and triplets, metastatic malignancies, and catastrophic conditions). The CRG categories were collapsed into the preceding categories by following instructions from the developers.

B. Results

Table 4 shows the health and sociodemographic characteristics for the children who were up for renewal by post-renewal enrollment category. The health and sociodemographic characteristics show several differences between those children who remained continuously enrolled and those who disenrolled. Health status varied significantly between the two groups (χ^2=1069.34; p<.0001) with somewhat higher percentages of children with significant acute conditions in the continuously enrolled group compared to the disenrolled groups (6.36 percent for those continuously enrolled versus 5.06 percent for those disenrolled and reinstated and 4.84 percent for those disenrolled and not reinstated).

No significant differences were noted between the two groups in gender. However, age did vary significantly (χ^2=131.18; p<.0001). A larger percentage of children in the 12 to 18 year old age cohort were disenrolled than those in the 5 to 11 year old age cohort. This finding was obtained even after excluding those that were age 18 at the time of renewal and soon to age out of the program. In addition, income varied significantly between the two groups (χ^2=360.14; p<.0001). In the disenrolled and not reinstated group, there is a higher percentage of children

with incomes below 150% FPL and above 200% FPL, and a smaller percentage of children who are in the 151% FPL to 200% FPL income range compared to children who were continuously enrolled or who were disenrolled and reinstated.

Because our enrollment categories take into account program transition, including transition to Medicaid, very few of those with incomes below 150% FPL disenrolled due to Medicaid eligibility. It is possible that these households had more difficulty with the renewal process or they may have had more difficulty making their premium payments. Families with income above 200% FPL may have been less likely to renew coverage because they did not think they would meet eligibility requirements. This is consistent with the telephone survey results, which are reported in Section VI below. This finding may indicate some confusion on the part of families with incomes above 200% FPL. These families pay the full share of the premium and do not face the same eligibility requirements as families receiving premium subsidies.

These results suggest that families may be making decisions about whether to renew coverage for their children based on their family income and their children's ages and health status. The findings suggest that the Florida Healthy Kids Corporation may want to target families of adolescents, lower income families, and those whose children are healthy for follow-up during the renewal process. These findings also indicate that Florida may be having a more successful experience with the active renewal process than the experiences observed in New York, Kansas, and Oregon.

Table 4. Health and Sociodemographic Characteristics of Children by Post-Renewal Enrollment Category								
Letters Sent Period: July 2004 to December 2004								
Renewal Dates: September 2004 to February 2005								
Characteristic	Children up for Renewal		Enrollment Trend					
			Continuously Enrolled		Disenrolled and Reinstated		Disenrolled and Not Reinstated	
	N	%	N	%	N	%	N	%
Total	270333		197604	73.10%	10117	3.74%	62612	23.16%
Health Status Categories (CRGs)								
Healthy	184198	68.14%	134186	67.91%	6678	66.01%	43334	69.21%
Significant Acute	16113	5.96%	12572	6.36%	512	5.06%	3029	4.84%
Minor Chronic	11766	4.35%	9328	4.72%	427	4.22%	2011	3.21%
Moderate Chronic	11729	4.34%	9200	4.66%	413	4.08%	2116	3.38%
Major Chronic	1065	0.39%	882	0.45%	20	0.20%	163	0.26%
No CRG	45462	16.82%	31436	15.91%	2067	20.43%	11959	19.10%
Gender								
Male	132767	49.11%	96771	48.97%	5008	49.50%	30988	49.49%
Female	137566	50.89%	100833	51.03%	5109	50.50%	31624	50.51%
Age								
1-4	127	0.05%	79	0.04%	7	0.07%	41	0.07%
5-11	134056	49.59%	99106	50.15%	5121	50.62%	29829	47.64%
12-18	136150	50.36%	98419	49.81%	4989	49.31%	32742	52.29%
RUCA								
Urban/Large towns	248218	91.82%	181739	91.97%	9367	92.59%	57112	91.22%
Rural/Small towns	19388	7.17%	13969	7.07%	649	6.41%	4770	7.62%
Unknown	2727	1.01%	1896	0.96%	101	1.00%	730	1.17%
FPL Categories								
0-150%	157163	58.14%	113507	57.44%	5828	57.61%	37828	60.42%
151-200%	64476	23.85%	48760	24.68%	2546	25.17%	13170	21.03%
>200%	48694	18.01%	35337	17.88%	1743	17.23%	11614	18.55%

VI. FAMILIES' PERSPECTIVES AND SATISFACTION

The Institute for Child Health Policy conducted surveys of families who were up for renewal in the Florida Healthy Kids Program from September 2004 through February 2005. These renewals constituted the first complete renewal cycle after the change from a passive renewal process to an active renewal process. The primary focus of the surveys was families' experiences during the new renewal process. Questions about program satisfaction and demographics also were asked. The Institute interviewed a total of 588 families: 301 families who completed the process and renewed their children's coverage and 287 families who had not completed the renewal process at the time of the survey. The cooperation rate was 59 percent. The surveys were conducted from June 2005 through August 2005 in both English and Spanish.

A. Sample Selection

The "renewed" population was determined by: (1) identifying those children whose families received a renewal letter during the period July 2004 through December 2004; (2) eliminating those children who were not enrolled in the Florida Healthy Kids Program during the two months preceding their renewal date and those children who were age 18 at the time of renewal; (3) determining whether the child's "renewal status" code indicates "completed" or if the child's renewal date was later than February 2005, which would indicate that the child successfully renewed coverage between September 2004 and February 2005; (4) confirming through administrative enrollment records that the children were currently enrolled in the Florida Healthy Kids Program; and (5) deleting children with critical missing information (e.g., phone numbers) and duplicate family members. Because the focus was on Healthy Kids enrollees, we also eliminated families who had children in another KidCare program component to reduce respondent burden and confusion. The resulting eligible population from which the random

sample was drawn was 106,130 children, and 301 interviews were completed. Using a 95 percent confidence interval, the survey responses provided in this report are within +/-5.64 percentage points of the "true" response.[6]

The "non-renewed" population was determined by (1) identifying those children whose families received a renewal letter during the period July 2004 through December 2004 and who were sent a cancellation letter between November 2004[7] though February 2005; (2) eliminating those children who were not enrolled in the Florida Healthy Kids Program during the two months preceding their renewal date and those children who were age 18 at the time of renewal; (3) confirming through administrative enrollment records those children who had no enrollment subsequent to the cancellation letter and an account status reason of "N" indicating cancelled due to renewal; and (4) deleting children with critical missing information (e.g., phone numbers) and duplicate family members. Again, we eliminated families who had children in another KidCare program component to reduce respondent burden and confusion. The resulting eligible population from which the random sample was drawn was 28,506 children, and 287 interviews were completed. Using a 95 percent confidence interval, the survey responses provided in this report are within +/-5.76 percentage points of the "true" response.[8]

B. Survey Results

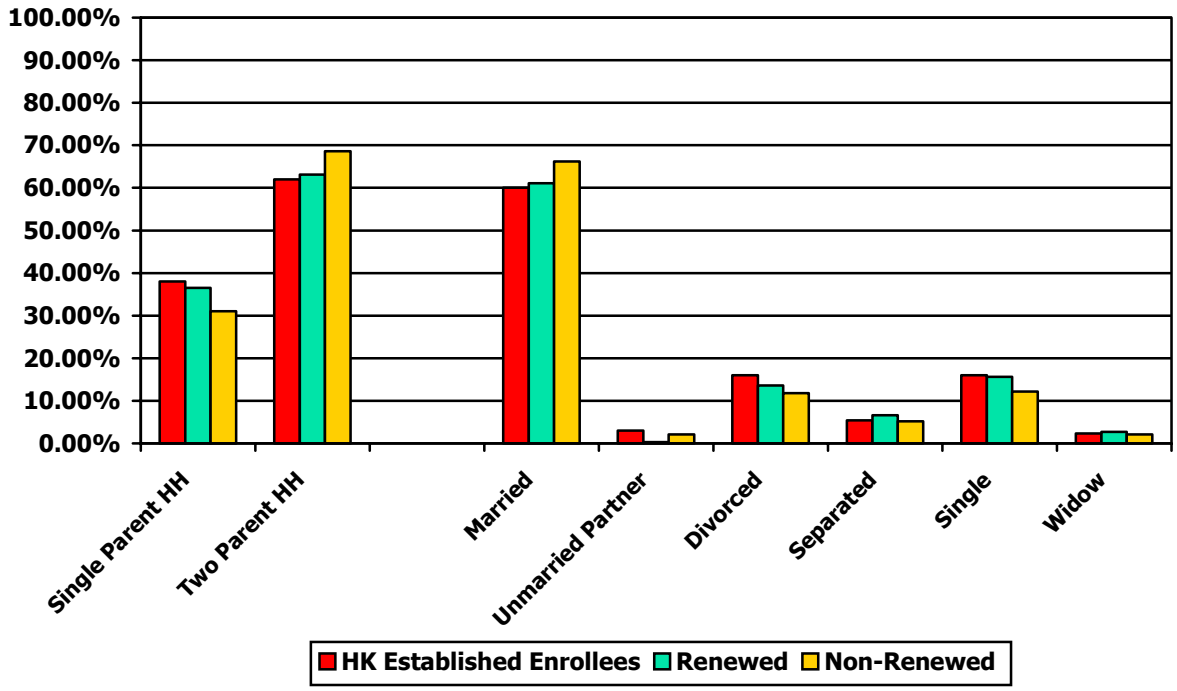
The primary focus of the surveys was families' experiences during the new renewal process. Questions about demographics and program satisfaction also were asked.

Household and Sociodemographic Characteristics

Household Characteristics. The household characteristics are similar among families who renewed their coverage, those who did not renew coverage, and established enrollees in the Florida Healthy Kids Program (Figure 1).[9] For example, 60 percent of established enrollees, 61

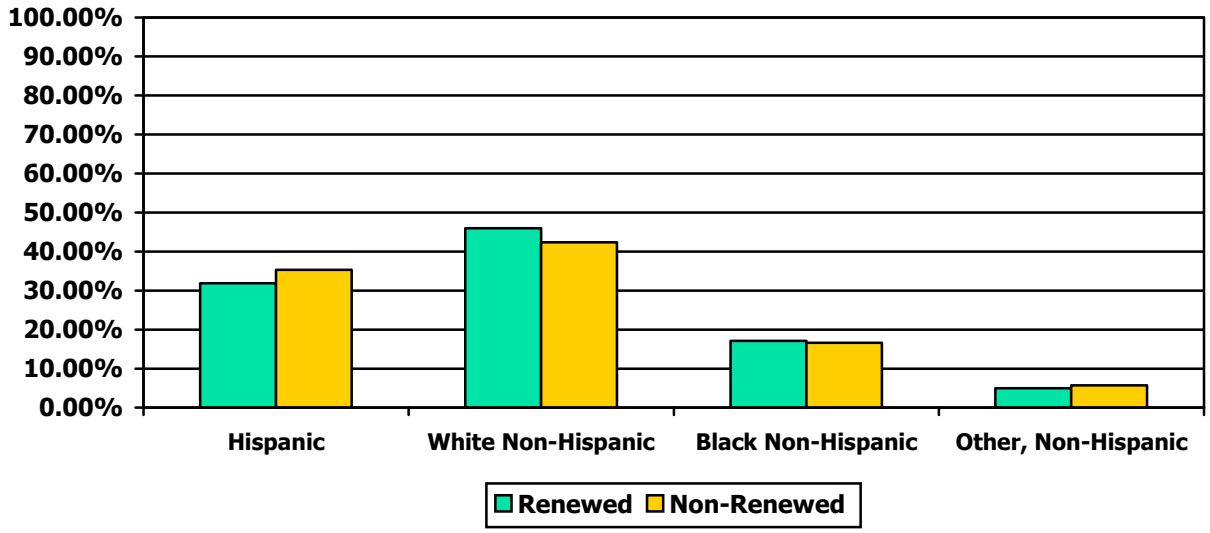
percent of the respondents who renewed coverage, and 66 percent of the respondents who did not renew coverage are married. Thirty-one percent of non-renewers characterize their household as a single-parent household compared to 36.5 percent of renewers and 38 percent of established enrollees.

Figure 1: Respondent Household Type and Marital Status



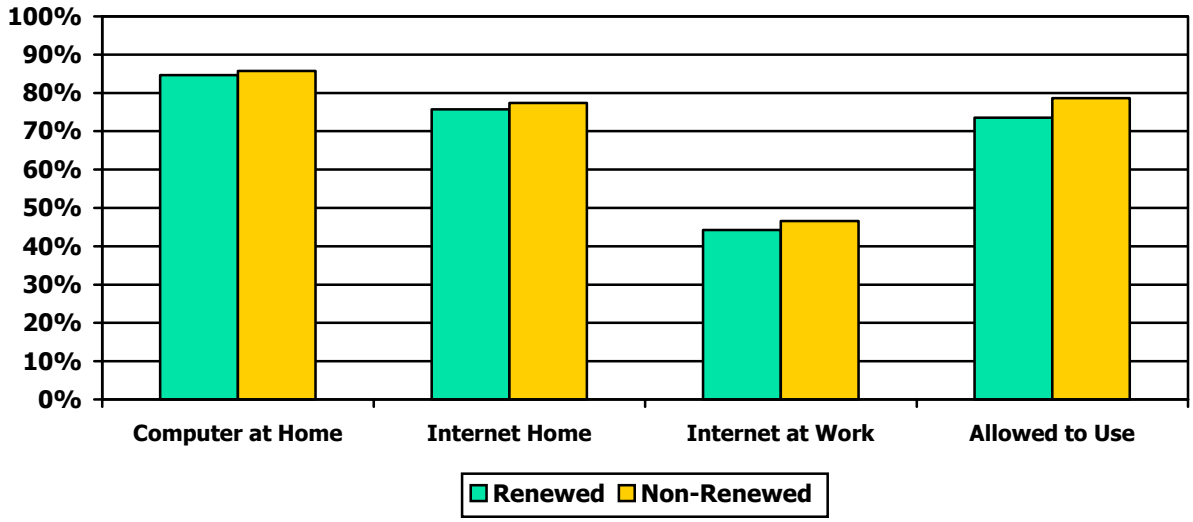
Race and Ethnicity. The demographic characteristics of the children who renewed and did not renew coverage also are similar (Figure 2). Overall, 34 percent of the children are Hispanic, 44 percent are non-Hispanic white, and 17 percent are non-Hispanic black.

Figure 2: Children's Race and Ethnicity



Computer and Internet Access. Renewers and non-renewers report similar computer and Internet access (Figure 3). Eighty-five percent of all respondents reported having access to a computer at home, and 77 percent reported having Internet access at home. Approximately 45 percent of respondents reported having Internet access at work; among those, 76 percent indicated that their employer would allow them to use the Internet to access health care information. Of the 23 percent of respondents who reported not having Internet access at home, approximately 20 percent reported having access to the Internet at work and that their employer would allow them to use the Internet to access health care information. This suggests that approximately 19 percent of all respondents do not have access to the Internet either at home or at work for the purposes of accessing health care information. Consequently, although the Internet can serve as an important resource during the renewal process for many families, other methods of communication remain essential.

Figure 3: Computer and Internet Access



Cellular Phone Use and Traditional Phone Access. More than 75 percent of all respondents have a cellular phone with non-renewers being somewhat more likely to report having a cell phone than renewers (Table 5). Six percent of all respondents indicated that they did not have a traditional home phone at some time during the past six months, with 47 percent of those reporting lack of service for two to six months. Non-renewers who lacked home phone service were somewhat more likely to report having had a longer period without service than renewers: 50 percent of non-renewers reported not having service for two to six months compared to 42 percent of renewers. The reason cited most frequently for not having home phone service was cost: 58 percent of non-renewers indicated cost as the primary reason compared to 50 percent of renewers. Cell phone substitution is the second most common reason for not having home phone service with 25 percent of renewers and 21 percent of non-renewers indicating that they used a cell phone instead. The increasing use of cell phones generally and

their substitution for traditional home service in particular may become an increasingly important consideration for contacting and locating enrollees.

Table 5: Cellular Phone Use and Traditional Phone Service Access		
	Renewed	Non-Renewed
Do you have a cellular phone		
Yes	74.1%	81.2%
No	25.9%	18.8%
At any time during the past 6 months has your household not had home phone service (other than a cell phone)?		
Yes	4.0%	8.4%
No	96.0%	91.6%
For how many months did you not have telephone service (of those who did not have service)?		
1 month or less	58.3%	50.0%
2-6 months	41.7%	50.0%
What was the main reason you did not have telephone service (of those who did not have service)?		
Cost	50.0%	58.3%
Moved	0.0%	8.3%
Service not available	0.0%	4.2%
Use cell phone instead	25.0%	20.9%
Other	25.0%	8.3%

Renewal Experiences

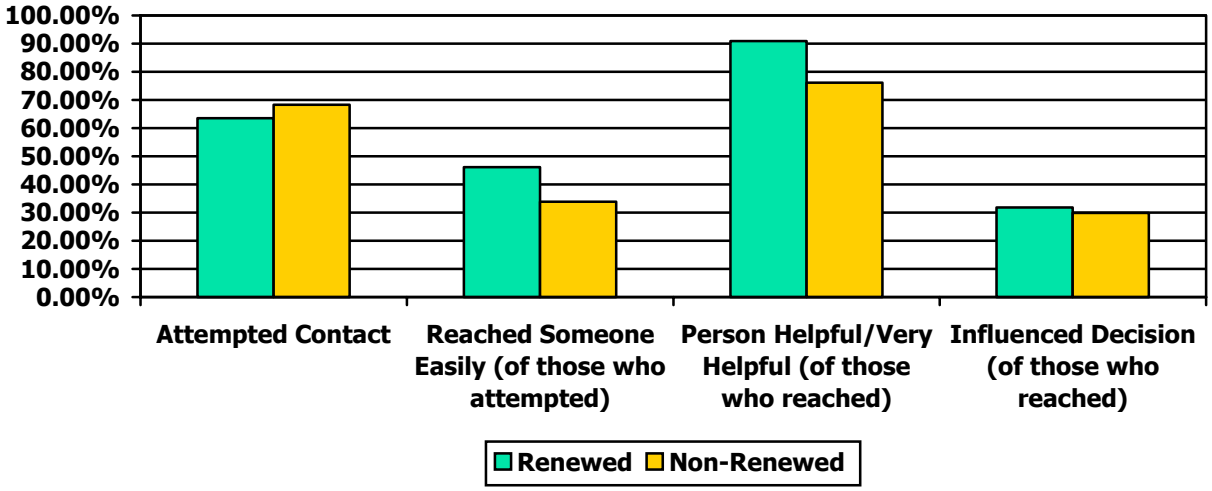
Renewal Process and Experiences. Less than half of families indicated that they were told that they would need to renew coverage each year when they signed up for Healthy Kids (Table 6). When asked their opinions about the renewal process, non-renewers were more likely to indicate that the renewal process was difficult: approximately 67 percent indicated that they felt the renewal process was somewhat or much more difficult than it needed to be compared to 50 percent of those who renewed coverage. More than 70 percent of all respondents indicated that they somewhat or strongly agreed that they are asked for too much background paperwork during the renewal process. But the majority of respondents indicated that they felt the Florida Healthy Kids Program made the renewal forms easy to fill out. Those who renewed were more

likely to say the forms were easy to fill out compared to non-renewers (84 percent versus 64 percent).

Table 6: Renewal Process and Experiences		
	Renewed	**Non-Renewed**
Was told that would need to renew enrollment every year when signed up for Healthy Kids	46.2%	39.0%
Felt that the renewal process was somewhat more difficult or much more difficult than it needed to be	50.2%	66.9%
Somewhat agree or strongly agree that they are asked for too much background paperwork, such as pay stubs or income documentation	71.4%	73.2%
Somewhat agree or strongly agree that the Healthy Kids Program has made the renewal forms easy to fill out	84.0%	63.7%

The experiences of renewers and non-renewers in contacting the toll-free number for assistance were generally similar (Figure 4). Non-renewers were somewhat more likely to call the toll-free number than were renewers. Of those who called, both groups had difficulty obtaining assistance with only 40 percent of all respondents indicating success in reaching someone. Respondents who did not complete the renewal process were less likely to report reaching someone easily (34 percent) compared to respondents who completed the process (46 percent). Most of those who reached someone indicated that the found the person to be helpful or very helpful with renewers reporting higher levels of satisfaction than non-renewers. Despite the high level of satisfaction by respondents who reached someone at the call center easily, less than a third indicated that the call influenced their renewal decision with no significant difference between renewers and non-renewers.

Figure 4: Renewal Survey- Experiences Calling Toll-Free Number



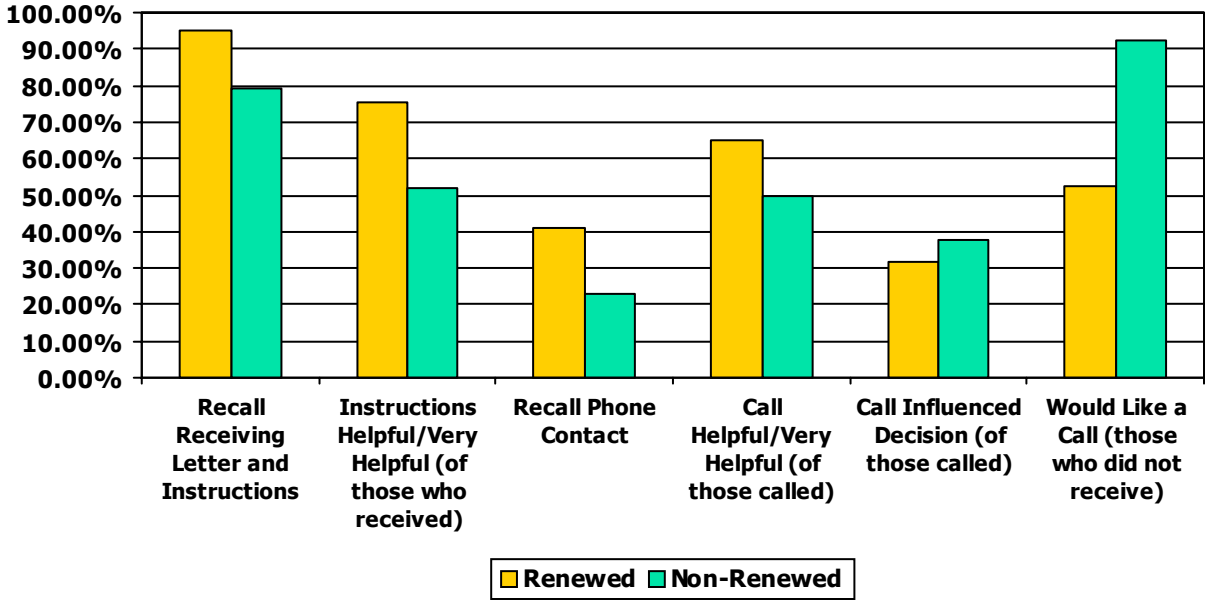
Experiences with Healthy Kids Outreach Efforts. The Florida Healthy Kids Program engaged in extensive outreach efforts to ensure that eligible children remained enrolled in the program through a series of letters and phone calls, as well as a targeted "door-to-door" campaign that included in-person visits to households in areas with high non-response rates. Parents were asked whether they recalled these outreach efforts and if so, whether it affected their renewal decision. Because the door-to-door campaign was targeted to a small group of enrollees, this population was surveyed separately ensure that sufficient information is available about families' attitudes about this focused outreach strategy. Those survey findings are provided in a separate report entitled "Project Pathfinder: Assessing Renewal Outreach in the Healthy Kids Program."

Most respondents recalled receiving a letter with renewal instructions with renewers much more likely to recall receiving the letter (95 percent) than non-renewers (79 percent). Almost three-quarters of those who renewed coverage reported that they found the written

instructions helpful compared to just over half of those who did not renew coverage (Figure 5). Most respondents, however, did not recall receiving a phone call, with significantly fewer non-renewers reporting getting a call than renewers: 41 percent of renewers and only 23 percent of non-renewers remember getting a call. Those who renewed coverage and remember getting a call were more likely to find the call helpful than those who did not renew coverage (65 percent compared to 50 percent). A much smaller percentage, 32 percent of renewers and 38 percent of non-renewers, indicated that the call influenced their renewal decision. But fully 92 percent of those who did not renew coverage and did not recall receiving a phone call indicated that they would like to have received a call, compared to 52 percent of those who renewed coverage and did not remember receiving a call.

These findings suggest that those who did not renew coverage may have been more difficult to locate or contact than those who did renew coverage. Families who do not remember any contact may not have realized that they had to actively renew their coverage and may have been cancelled as a result. Therefore, it may be useful to identify additional ways of locating and contacting program enrollees. Although the telephone calls did not influence the renewal decisions of most of those who were reached, those who were not reached apparently feel that such contact would have been helpful.

Figure 5: Renewal Survey - Outreach Experiences Letters and Phone



Reasons for Renewing or Not Renewing Coverage. Respondents were asked to indicate their primary reason for renewing or not renewing their child's coverage. The reasons are indicated in Table 7 in descending order of response frequency. Of those who renewed coverage, 50 percent indicated that the primary reason for doing so was that they want to be sure that their child has health insurance. The second most frequently cited reason, offered by 35 percent of respondents, is that they cannot afford other coverage. Three percent indicated that their child has a frequent illness or chronic condition as the primary reason for renewing coverage.

Table 7: Reasons for Renewing/Not Renewing Coverage	
Reasons for Renewing Coverage	**Reasons for Not Renewing Coverage**
Want to be sure child has health insurance (50%)	Did not think child was eligible anymore (25%)
Cannot afford other coverage (35%)	Could not get required background information (21%)
Do not have access to other coverage (6%)	Sent in materials but program said they were not sent (9%)
Child has frequent illness or chronic condition (3%)	Never received renewal documents (8%)
Renewal process is easy (<1%)	Forgot or did not get around to doing paperwork (7%)
Other (4%)	Planning on getting other insurance for child (7%)
Don't know /Refused(1%)	Dissatisfied with the program in general (4%)
	Dissatisfied with premium payment (2%)
	Dissatisfied with child's physician (<1%)
	Did not want child in the program anymore (1%)
	Child was healthy so coverage was not needed (1%)
	Other (11%)
	Don't know/Refused (4%)

Of those who did not renew their child's coverage in the Florida Healthy Kids Program, the reason cited most frequently, by 25 percent of respondents, was that the respondent did not think his/her child was eligible anymore. Of those who thought their children were no longer eligible, 67 percent did not think they met the income requirements, 7 percent did not think they met the age requirement, and 6 percent indicated their employer offers health insurance coverage.

The second most frequently cited reason, given by 21 percent of respondents, was that they could not get the background information that was required. Nine percent indicated that they sent the materials in but were told that they had not sent them in, 8 percent indicated that they never received the renewal documents, and 7 percent indicated that they simply forgot to renew coverage. Among the 11 percent of respondents who cited "other" reasons for not renewing coverage, approximately one-third (or about 3 percent overall) indicated other issues related to the renewal process such as finding it too difficult or too much of a hassle to complete all of the paperwork, not being able to reach someone for assistance, feeling that too much

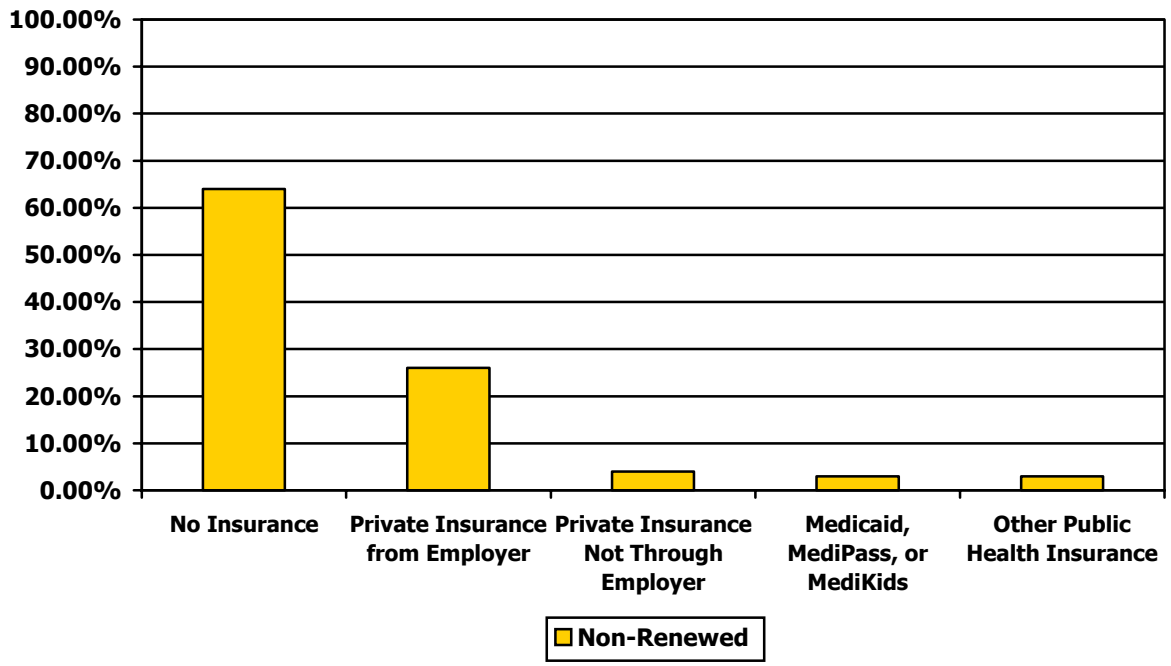
personal information was being requested, or simply not having enough time to complete the paperwork.

Indicators of program dissatisfaction generally were low and do not seem to be strong factors in families' decision-making about renewal. General dissatisfaction with the program was cited by 4 percent of respondents, dissatisfaction with premium payments was cited by 2 percent of respondents, and dissatisfaction with the child's physician was cited by less than 1 percent of respondents. These results suggest that efforts should be directed toward helping families to complete the renewal process in order to ensure that eligible children do not lose coverage.

Insurance Status of Non-Renewed Children. Only 36 percent of the children whose Healthy Kids coverage was not renewed had another source of health insurance; 64 percent were uninsured. Of those who got another source of coverage, 71 percent (or about 26 percent of all children whose coverage was not renewed) have employer-sponsored insurance (ESI), 11 percent purchased private insurance directly themselves, 8 percent have Medicaid, MediPass or MediKids, and 9 percent have another form of public health insurance. Sixty-six percent of children who switched to another source of coverage were able to keep the same primary care provider. These results are summarized in Figure 6, which shows insurance coverage as a percentage of all children whose coverage was not renewed.

Of the 64 percent of respondents who indicated that they had not selected another source of insurance coverage for their child, the two reasons that were cited most frequently were: (1) they cannot afford other coverage (65 percent) and (2) they are waiting to get back into the Healthy Kids Program (38 percent). Respondents were allowed to indicate more than one reason.

Figure 6: Insurance Status of Children Who Did Not Complete the Renewal Process



What Families Say About Improving the Renewal Process. When asked to reflect upon their experiences and suggest ways that the renewal process could be improved, the suggestions most frequently given were to (1) reduce the amount and complexity of paperwork and documentation requirements, (2) make it easier to contact the program and get assistance, and (3) provide better and more frequent communication from the program. Families indicated that they found complying with the documentation requirements to be difficult and overwhelming. Self-employed families found it especially difficult to comply with income verification requirements. Families also were upset by the long wait times they experienced when calling the toll-free number for assistance, and they expressed a desire for operators who were more knowledgeable and helpful. Other suggestions for improvement were to provide better information and more advance renewal notification and follow-up reminders. Some respondents suggested better organization, citing concerns with lost paperwork. Families also indicated an interest in having

more options to submit and acquire information, such as through the Internet and allowing phone and fax renewals.

Program Experiences

Experiences with Paying Premiums. Families were asked about their experiences and attitudes toward premium payment in the Florida Healthy Kids Program. Their responses are summarized in Table 8 below. Overall, families are satisfied with paying a premium for their children's health care coverage and with the amount they pay. Non-renewers were somewhat more likely to indicate that they found the premium amount to be either "about the right amount" or "too little" compared to renewers. Three percent of non-renewers felt that the premium was "too much" compared to 13 percent of renewers. Approximately 85 percent of all respondents report that the premium is rarely or never difficult to pay.

The attitudes toward premium payment are consistent among renewers and non-renewers. More than 90 percent indicated that paying the premium is "worth it" for the care and coverage received by their children. However, approximately 19 percent of all respondents indicated that sometimes they feel that paying the premium is a "waste of money" because their children are healthy. More than 95 percent of families agreed or strongly agreed that they felt good about paying for part of their children's health care coverage and that it is worth the peace of mind knowing their child is covered.

Table 8: Experiences with Paying Premiums		
	Renewed	Not Renewed
Is/Was the premium. . .?		
About the right amount	79.7%	86.4%
Too much	13.3%	3.2%
Too little	5.3%	9.4%
Don't know/Refused	1.7%	1.0%
How often is/was paying the premium difficult for you financially? (of those who indicated the premium is not too much)		
Almost every month	5.0%	1.8%
Every couple of months	10.0%	10.8%
Rarely	39.8%	37.1%
Never a month when paying is/was difficult	43.7%	49.6%
Don't know/Refused	1.5%	0.7%
Paying a premium is/was well worth if for the care and coverage.		
Strongly agree	73.4%	72.8%
Agree	21.3%	18.1%
Disagree	2.3%	3.1%
Strongly disagree	1.7%	4.5%
Don't know/Refused	1.3%	1.4%
Sometimes I feel/felt like paying the premium is/was a waste of money because my child is healthy.		
Strongly agree	10.6%	7.0%
Agree	10.6%	9.8%
Disagree	14.3%	13.2%
Strongly disagree	62.8%	67.6%
Don't know/Refused	1.7%	2.4%
I am/was happy to pay the premium because I feel/felt better paying part of the cost of my child's coverage.		
Strongly agree	75.1%	78.4%
Agree	20.9%	17.1%
Disagree	2.0%	2.8%
Strongly disagree	1.0%	1.4%
Don't know/Refused	1.0%	0.3%
Paying a premium is/was worth the peace of mind I have/had knowing my child has/had health care coverage.		
Strongly agree	89.0%	91.3%
Agree	9.0%	7.3%
Disagree	1.0%	0.7%
Strongly disagree	0.7%	0.7%
Don't know/Refused	0.3%	0.0%

Families were asked questions about their experiences with the quality of care in the Florida Healthy Kids Program and their general satisfaction with the program. Most respondents indicated high levels of satisfaction with the program with renewers indicating higher levels of satisfaction than non-renewers (Table 9). For example, 94 percent of renewers and 88 percent of non-renewers indicated that they were happy with their child's physician in the Florida Healthy

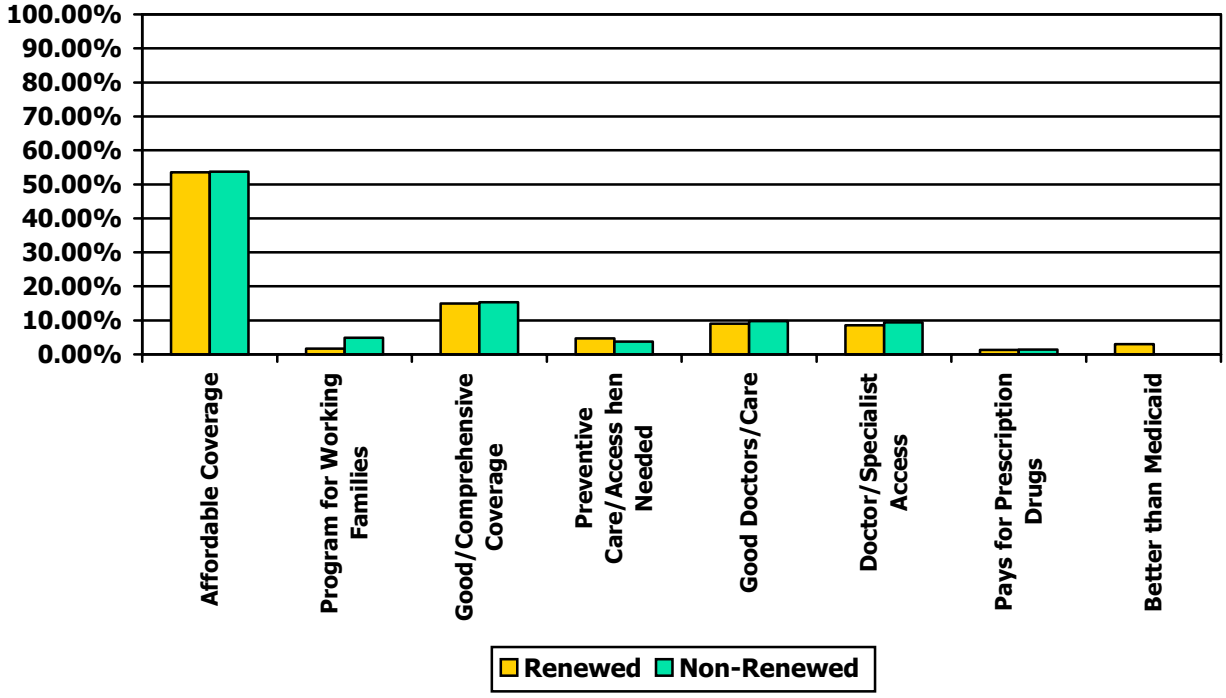
Kids Program. Seventy-eight percent of respondents who renewed their coverage rated the quality of care received as very good or excellent compared to 70 percent of those who did not complete the renewal process, and 80 percent renewers rated the Florida Healthy Kids Program overall as very good or excellent compared to 69 percent of non-renewers.

Table 9: Satisfaction with the Healthy Kids Program

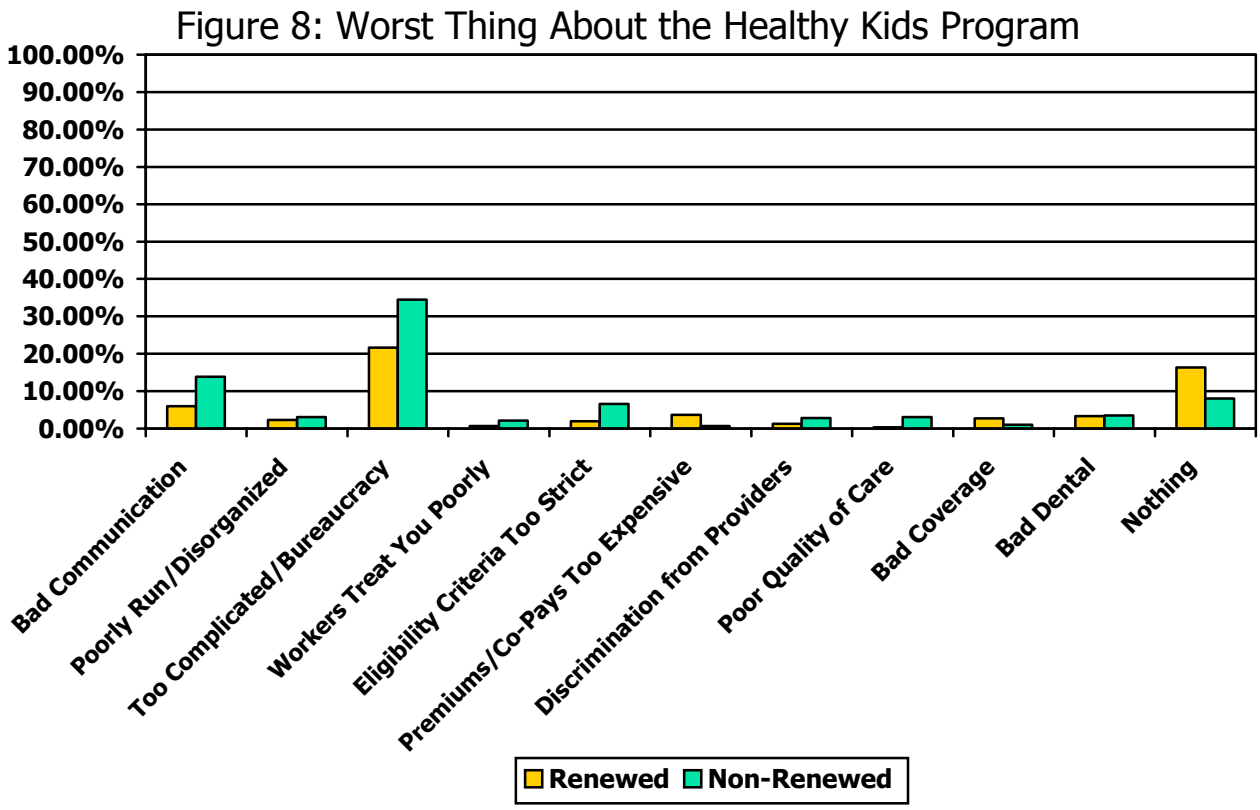
	Renewed	Non-Renewed
Satisfied or very satisfied with child's physician while in the Healthy Kids Program	94.3%	87.7%
Rate quality of care as very good or excellent	77.9%	69.8%
Rate Healthy Kids Program overall as very good or excellent	80.4%	69.1%

Respondents also were asked to indicate "in a word or two" what they felt were the best and worst aspects of the Healthy Kids Program, and their responses could be categorized into more than one category (Figures 7 and 8). Approximately 54 percent of both renewers and non-renewers indicated that the best aspect of the Healthy Kids Program is that it provides affordable coverage for children. The second "best" aspect cited most frequently, by both 15 percent of renewers and non-renewers, is that it provides good comprehensive coverage. Good doctors and access to specialists were cited by 10 percent of respondents.

Figure 7: Best Thing About the Healthy Kids Program



When asked about the "worst thing about the Healthy Kids Program," the response given most frequently was that it was too complicated and involved too much bureaucracy with non-renewers citing this more frequently than renewers (35 percent versus 22 percent). These responses typically involved complaints about the renewal process, such as having to complete too much paperwork and having to renew too frequently. Bad communication was indicated by 14 percent of non-renewers and 6 percent of renewers. However, there were also respondents who indicated that they had no complaints about the program, with 16 percent of renewers and 8 percent of non-renewers indicating that they had nothing negative to say.



VII. CONCLUSIONS

In summary, the current renewal process for the Florida Healthy Kids Program represents a marked departure from the prior passive renewal process. However, the current practice is similar to renewal processes in other states. While the move to an active redetermination process has led to increased disenrollment at the time of renewal (5 percent versus 27 percent), the results in Florida are much move favorable than those seen in other states (i.e., 27 percent in Florida versus as high as 50 percent in other states).

The results from this study suggest that families may be making decisions about whether to renew coverage for their children based on their family income and their children's ages and health status. These findings from the administrative data (enrollment and claims and encounter

files) suggest that the Florida Healthy Kids Corporation may want to target families of adolescents, lower income families, and those whose children are healthy for follow-up during the renewal process.

Focusing on the renewal process is important because 64 percent of children whose coverage was not renewed were uninsured at the time of the survey. Uninsured children are at risk for poor access to needed health care services. One barrier to renewal that families note is the required supporting documentation. Strategies to make this part of the renewal process easier should also be considered.

Endnotes

[1] When this policy change was enacted, redetermination occurred every six months. Effective January 1, 2005 the redetermination process was changed to occur every 12 months (HB 1843).

[2] The proof of income requirements specified in HB 1843, effective July 1, 2004, included copies of the prior year's federal income tax return, wages and earnings statements, and any other appropriate documents. These requirements were subsequently eased in December 2004 with the enactment of SB 28-A, which provides that proof of family income include a copy of the most recent federal income tax return; in the absence of a federal income tax return, families may submit wages and earning statements (pay stubs), W-2 forms, or other appropriate documents.

[3] Because of the three month grace period for hurricane relief during the fall of 2004, families who had not complied with the renewal requirements between September 2004 and November 2004 were not cancelled until December 2004.

[4] These analyses were conducted as part of the Child Health Insurance Research Initiative (CHIRI) and were published in A.W. Dick, R. A. Allison, S.G. Haber, C. Brach, E. Shenkman. 2002. "The Consequences of States' Policies for SCHIP Disenrollment." *Health Care Financing Review* 23(3): 65-88.

[5] Neff, J.M., Sharp, V., Muldoon, J., Graham, J. Popalisky, J., Gay, J. 2001. "Identifying and Classifying Children with Chronic Conditions Using Administrative Data with the Clinical Risk Group Classification System. *Journal of Ambulatory Pediatrics*. 2(1): 72-29.

[6] The confidence intervals are presented for hypothetical items with uniformly distributed responses. These numbers are a "worst case" generality presented for reference purposes only.

[7] Because of the fall 2004 hurricane relief grace period, the first cancellation letters were not generated until November 2004 for December 2004 cancellations.

[8] The confidence intervals are presented for hypothetical items with uniformly distributed responses. These numbers are a "worst case" generality presented for reference purposes only.

[9] Established enrollees are those children enrolled in the Healthy Kids Program for 12 months or longer. Surveys with parents of established enrollees in the Healthy Kids Program are conducted as part of the Florida KidCare program evaluation. The Florida KidCare Program Evaluation Report, 2004, is available at: http://www.healthykids.org/documents/evaluation/institute/2005/2004_kidcare_evaluation.pdf.