



Colorado Covering Kids and Families

Losing Ground:

The CHP+ Enrollment Freeze
and
CKF's Count of Kids

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Colorado Covering Kids and Families

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*Colorado Covering Kids and Families is a project of the
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Executive Summary

The Colorado Child Health Plan *Plus* (CHP+) , Colorado's health insurance program for low-income working families, has been a casualty of Colorado's ongoing fiscal crisis. State budget shortfalls resulted in a freeze on new enrollments from November 2003 to July 2004.

Colorado Covering Kids and Families (CKF) monitored the impact of the enrollment freeze on CHP+ eligible Colorado children. The freeze had two critical impacts on the program:

- ◆ **Eligible children were unable to enroll**
- ◆ **Already enrolled children left the program at a very high rate.**

CKF conducted demographic analysis of the eligible children who were trying to enroll but were unable to due to the freeze. CKF monitored a number of variables and discovered striking trends in both the ethnicity and income levels of the children included in the count. **While only 17% of Coloradans are Latino, almost one-third of the CHP+ eligible children found unable to enroll in the CKF count were Latino.** Moreover, fully **one-quarter of the children lived at or below 100% of the Federal Poverty Level.** Colorado is one of only six states to use an asset test in its Family and Children's Medicaid programs; as a result, children who live within the Medicaid poverty guidelines are eligible for CHP+ instead. During the enrollment freeze, these very high-risk children went uninsured.

The CHP+ enrollment freeze impacted Colorado's economy in a number of ways, including the loss of federal matching funds and the resulting cost shifting onto other segments of the health care system. CKF estimates that Colorado lost the opportunity to draw down \$1.45 million in federal SCHIP matching funds during the enrollment freeze. The freeze placed additional financial burdens on CHP+ eligible families and the health care safety net. Colorado's Community Health Centers estimate that the enrollment freeze resulted in a loss of almost \$1 million to the Community Health Center system in those eight months.

Two important lessons came out of the CHP+ enrollment freeze:

- ◆ **The use of *average monthly enrollment* estimates rather than *actual enrollment numbers* make it difficult to manage program enrollment**
- ◆ **Marketing is critical to the success of the program**

Colorado tracks CHP+ enrollment using average monthly enrollment (AME) rather than actual enrollments. This generates an annual projection for enrollments that differs from actual enrollment. The enrollment projections for State Fiscal Year 2003-2004 were higher than actual enrollments, causing premature closure of the program when there was actually space for 4,000 additional children. If CHP+ enrollments had been calculated using actual enrollments rather than projections, this could have been avoided.

Nine months before CHP+ was frozen to new enrollments, program marketing was discontinued. Program enrollment slowed dramatically at this point, potentially contributing to the faulty enrollment projections that caused the freeze to be implemented too soon. Enrollment data from the months after the freeze lifted indicates that CHP+ enrollments did not rebound as had been hoped. **Because CHP+ eligible families typically do not qualify for other human service programs, they are less likely to learn about the program without outreach and marketing.**

Background

Child Health Plan *Plus*

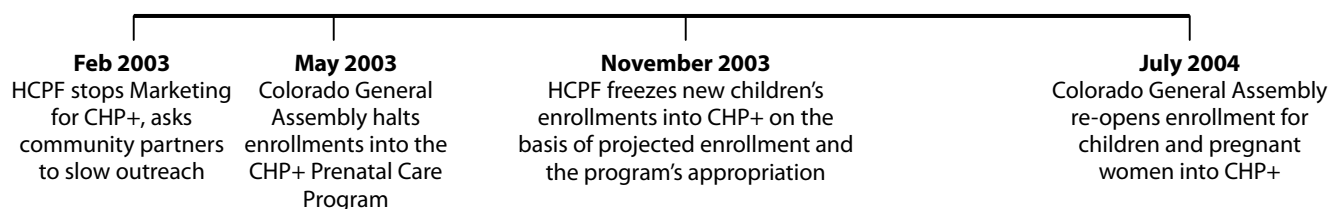
Child Health Plan *Plus* (CHP+) is Colorado's State Children's Health Insurance Program (SCHIP).¹ Started in 1997, CHP+ provides health insurance to children and pregnant women whose families live at or below 185% of the Federal Poverty Level and earn or own too much to qualify for Medicaid. The state legislature determines the annual appropriation for CHP+ and the Department of Health Care Policy and Financing (HCPF) oversees the program.

Following the federal SCHIP model, CHP+ is a public-private partnership: CHP+ is funded by the state and federal governments but is run by a private vendor. Affiliated Computer Services, Inc (ACS) assumed responsibility for the eligibility and enrollment functions of CHP+ in August 2003.

The CHP+ Enrollment Freeze of Fiscal Year 2003-2004

The timeline below illustrates changes to the CHP+ program during Fiscal Year 2003-2004. Colorado's budgetary crisis contributed to a cascade of changes, starting with the cessation of outreach and marketing and culminating with a freeze on new enrollments of both pregnant women and children.

Figure 1
Timeline: Managing the CHP+ Budget February 2003-July 2004



CKF and the "Count of Kids"

Neither HCPF nor ACS maintained a waiting list for the children's or prenatal programs during the enrollment freeze. In a document announcing the enrollment freeze, HCPF explained that, "waitlists are administratively cumbersome and do not provide a basis for enrollment when [CHP+] reopens."² HCPF also amended Colorado's SCHIP State Plan to reflect the decision not to maintain a waiting list (the state plan originally called for a waiting list).³

In response to HCPF's decision not to maintain a waiting list, Colorado Covering Kids and Families (CKF) worked with its members to track the children trying to enroll into CHP+ during the enrollment freeze. Many CKF Coalition members are part of ACS' statewide network of eligibility assistance sites, known as Satellite Eligibility Determination (SED) sites. SED sites provide families with application and enrollment assistance for the program. Several SED sites participated in CKF's count of children caught in the CHP+ enrollment freeze.

This report discusses the results of CKF's Count of Kids, the children across Colorado in need of CHP+ coverage, and the fiscal ramifications of the CHP+ enrollment freeze. This report is specific to the impact of the freeze on the CHP+ children's program and does not include similar information about the CHP+ Prenatal Care Program.

¹ CHP+ is referred to as the Children's Basic Health Plan (CBHP) in Colorado statute and regulation.

² Colorado Department of Health Care Policy and Financing: *CHP+ Enrollment Cap for FY 03-04 Questions and Answers, October 8, 2003*

³ The SCHIP State Plan outlines how Colorado administers CHP+ for the Centers for Medicare and Medicaid Services, the federal agency that oversees Medicare, Medicaid, and the SCHIP programs.

Understanding the Need

Enrollment Trends

CKF monitored two separate enrollment trends during the enrollment freeze: eligible children trying to enroll and already enrolled children leaving the program. Large numbers of both groups of children were affected by the freeze

An enrollment freeze does not prevent eligible children from needing health coverage, it simply prevents them from obtaining it. As a result, families continued to seek coverage, their children likely remaining uninsured during the enrollment freeze. The CKF Coalition counted those children throughout the eight months of the freeze. Less anticipated was an associated high rate of attrition (already enrolled children leaving the program) during the freeze. While parents of currently enrolled children were permitted to renew their coverage during the freeze, a very large number of them failed to do so. This likely resulted in high rates of uninsurance among those children as well.

Eligible Children Trying to Enroll

At the time of the enrollment freeze, families applied for CHP+ in one of three ways: directly to ACS, through SED sites, and through county Medicaid offices (if their Medicaid applications were denied as over income or over assets). Historically, just over half of all CHP+ applications are sent to the CHP+ vendor directly, with around 30% of applications coming through SED sites, and 20 % of applications coming through county Medicaid offices.⁴

During the eight month enrollment freeze, reporting CKF member agencies saw 5,712 CHP+ eligible children who attempted to enroll into CHP+ but could not because of the enrollment freeze. All children included in this number were screened by an SED site and determined eligible for the program. Because not all SED sites participated in CKF's Count of Kids, and because only a fraction of CHP+ applications are generated by SED sites, the 5,712 eligible children captured in CKF's count represent a fraction of the children who tried to enroll into the program during the freeze.

Already Enrolled Children Leaving the Program

CHP+ provides children with one year's continuous insurance coverage. Parents have to re-apply for the program every year by the anniversary of the children's enrollment date. To support this, ACS sends a renewal packet to the family 90 days prior to the anniversary; at the time of the enrollment freeze, this renewal packet included a renewal notice to the family and a new Application for Colorado Health Care. In addition, many SED sites follow up with the family by phone or post card to remind the family to re-apply and offer application assistance.

Program attrition, or the rate of children leaving the program, was high during the enrollment freeze. CHP+ enrollment dropped from a high of 52,484 children in October 2003 to 36,506 in June 2004.⁵ This represents a decline of 15,978 children. As a result of this decline, Colorado is one of 12 states to have lost ground in the number of children covered by its SCHIP program.⁶

Attrition occurs for a number of reasons: a parent becomes employed with a company that offers affordable dependent health insurance, the children become too old for coverage (known as "aging out" of the program), or the family does not file renewal paperwork on time (if ever). In some cases,

⁴ *Children's Basic Health Plan Annual Report: State Fiscal Year 2001*. The Children's Basic Health Plan Policy Board. "Application Submissions." Available Online:

<http://www.chcpf.state.co.us/HCPF/titlexi/StatePlan/Reports/2001AnnRptCover.asp>.

⁵ CHP+ Enrollment and Eligibility Statistics by Region. Available Online:

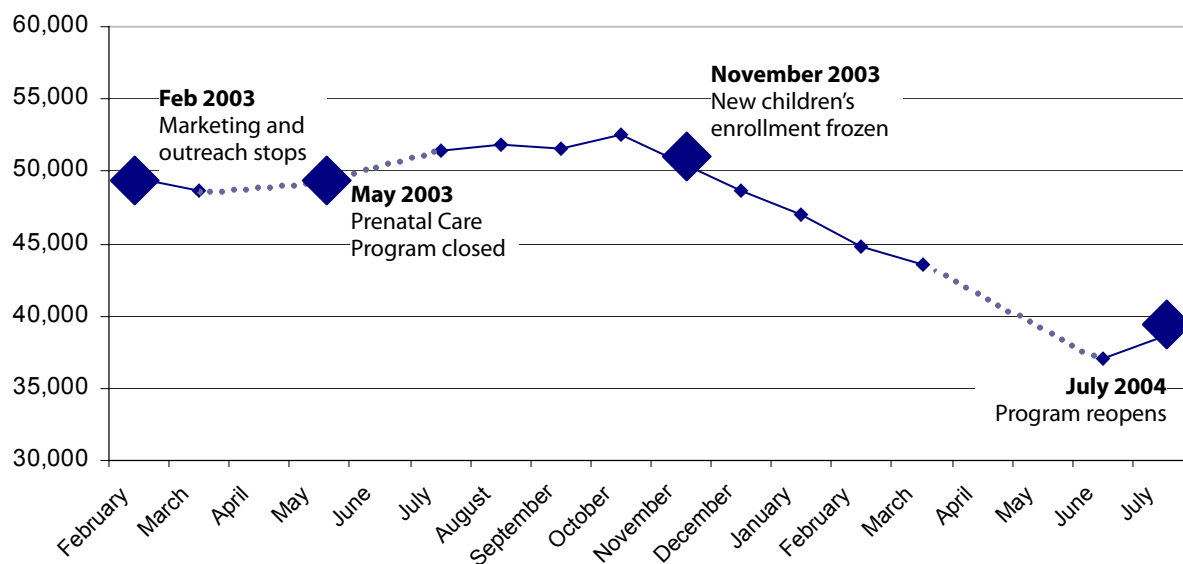
<http://www.cchp.org/chpweb/mainPage.cfm?pageToLoad=newsL.cfm&letterType=monthly&fileExt=pdf>.

⁶ *SCHIP Program Enrollment: December 2003 Update*. The Kaiser Commission on Medicaid and the Uninsured. July 2004.

attrition results in successful entry into the private insurance market, but in many others, children leave CHP+ and become uninsured. Data cited in previous CHP+ Annual Reports notes that 79% of surveyed CHP+ disenrollees left CHP+ because they had obtained other insurance. However, this data was collected in State Fiscal Year 2000, and HCPF notes that only a small number of disenrollees had been surveyed, so the data may be unreliable.⁷

SED sites report that parents commonly allow their children’s CHP+ coverage to lapse, re-applying the

Figure 2
How Budget-Managing Decisions Affected CHP+ Enrollment February 2003-July 2004



next time the children need to see the doctor. However, families do not have the option of re-applying during an enrollment freeze. Renewal notices from ACS did not include information about the freeze, so most families did not know about the necessity of renewing on time. These factors likely contributed to the high rate of attrition during the freeze.

Actual Enrollees versus Estimated Eligibles

The most recently published CHP+ enrollment figure August 2004, demonstrates that 35,155 children are enrolled in the program.⁸ This is a decline of 17,329 children from the start of the enrollment freeze in November, 2003, when there were 52,484 enrollees. However, even before the enrollment freeze began, efforts to manage CHP+ to its appropriation were stalling enrollments into the program.

The Colorado Department of Health Care Policy and Financing provided a current estimated eligible figure for CHP+ in its responses to the Joint Budget Committee in January 2005.⁹ According to HCPF’s responses, 89,712 children across the state are eligible for CHP+. This is a fair increase over the CHP+ estimated eligibles figure released just one year earlier: 86,142.¹⁰ The August 2004 enrollment figure, 35,155, represents less than 40% of the children in need of this program.

⁷ *Children’s Basic Health Plan Annual Report: State Fiscal Year 2000*. The Children’s Basic Health Plan Policy Board. Page 12. Available Online: <http://www.chcpf.state.co.us/HCPF/titlexxi/StatePlan/Reports/2000AnnRptCP.asp>.

⁸ CHP+ Enrollment and Eligibility Statistics by Region. Available Online: <http://www.cchp.org/chpweb/mainPage.cfm?pageToLoad=newsl.cfm&letterType=monthly&fileExt=pdf>.

⁹ *FY 05-06 Joint Budget Committee Hearing, Department of Health Care Policy and Financing*. Available online: <http://www.chcpf.state.co.us/HCPF/Budget/jbc%20hearings%2005/JBC%20Hearing%20Responses.pdf> Page 67.

¹⁰ *Children’s Basic Health Plan Annual Report: State Fiscal Year 2003*. Colorado Department of Health Care Policy and Financing Medical Services Board. Available Online: <http://www.chcpf.state.co.us/HCPF/titlexxi/cbhpAddindex.asp>.

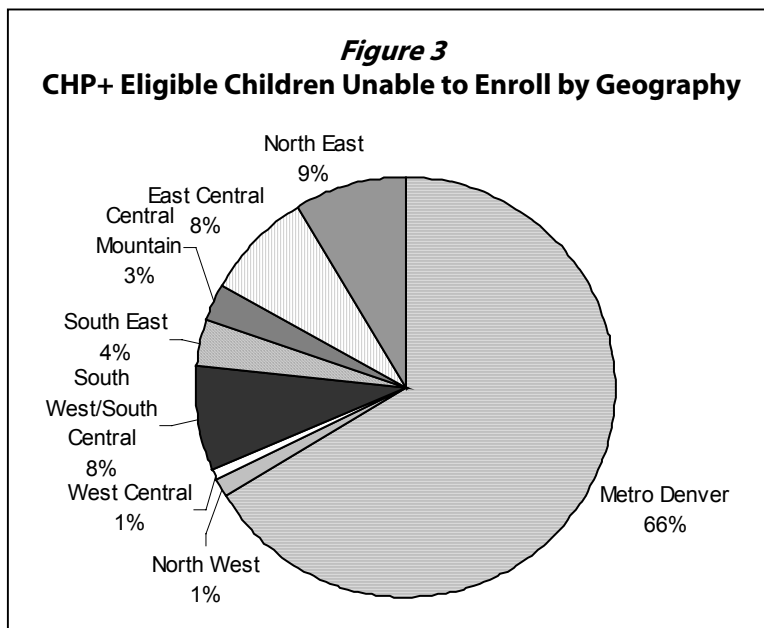
Understanding Eligible Children Trying to Enroll

In addition to tracking the number of children trying to enroll during the freeze, CKF collected basic demographic information. This data, collected on 29% of the children in our count, provides an excellent portrait of the children in need of CHP+ coverage.

Geographic Distribution

The vast majority of children trying to enroll into CHP+ during the enrollment freeze were from the Denver Metro Area. This is a greater percent than the number of children who are currently enrolled in CHP+ from the Denver Metro Area (around 43% of current enrollees).¹¹ The majority of these children were counted in Denver and Jefferson Counties.

Significant numbers of children were seen in the North Eastern area of the state, the majority from Weld County. High numbers were also counted in Colorado Springs (East Central region) and in Alamosa and Durango (South West/South Central region).



Disability and Acute Illness

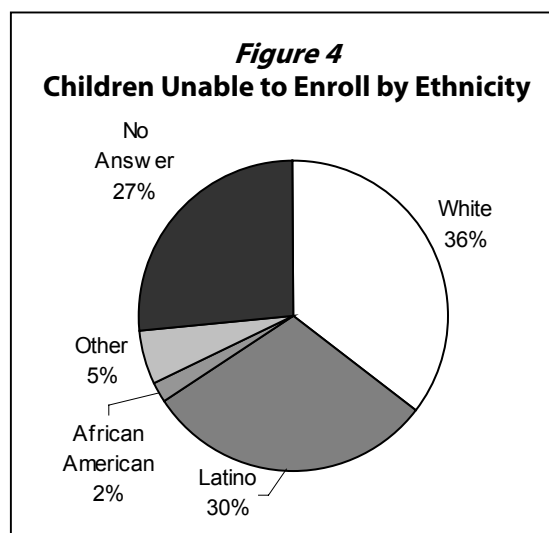
Like other children across the state, CHP+ eligible children saw a surge in acute illness during the winter months of 2002 and 2003. Overall, about 6% of children trying to enroll in CHP+ during the freeze had an acute illness at the time they were trying to apply, indicating that having insurance during this time would have been very beneficial to the family. An additional 4% of eligible children trying to enroll into CHP+ during the freeze have a chronic medical condition or physical or mental disability.

Ethnicity and Language

The State Health Access Data Assistance Center notes that,

“Latino children comprise a majority of the uninsured in Colorado, with an uninsurance rate that is triple that of non-Latino children.”¹²

CKF’s data reflects this trend. The ethnic breakdown of children unable to enroll into CHP+ demonstrates the significant need for the program among Latino families. While only 17% of Coloradans are Latino, at



¹¹ CHP+ Enrollment By Region: August 2004. Available Online: <http://www.cchp.org/chpweb/mainPage.cfm?pageToLoad=newsL.cfm&letterType=monthly&fileExt=pdf>

¹² Assessing Health Insurance Coverage of Latinos with Limited English Proficiency. SHADAC presentation at the American Public Health Association Annual Meeting, 2003. Available Online: http://apha.confex.com/apha/131am/techprogram/paper_60360.htm.

least one-third of the children trying to enroll into CHP+ during the freeze were Latino.¹³

Of CHP+ eligible children trying to enroll into CHP+ during the freeze, 48% spoke English as their primary language and 16% spoke Spanish. A very small number of other languages were reported, including Arabic and Russian.¹⁴

Federal Poverty Level

Among the most striking results of CKF’s Count of Kids was the tracking of children by income. CHP+’s primary target audience is children who earn too much money to qualify for Medicaid but live below 185% of the Federal Poverty Level (FPL). Children 0-6 years old are eligible for CHP+ from 133-185% of the FPL, and children 7-18 years old are eligible for CHP+ from 100-185% FPL. The annual and monthly incomes to which these percentages equate appear in Table 1.¹⁵

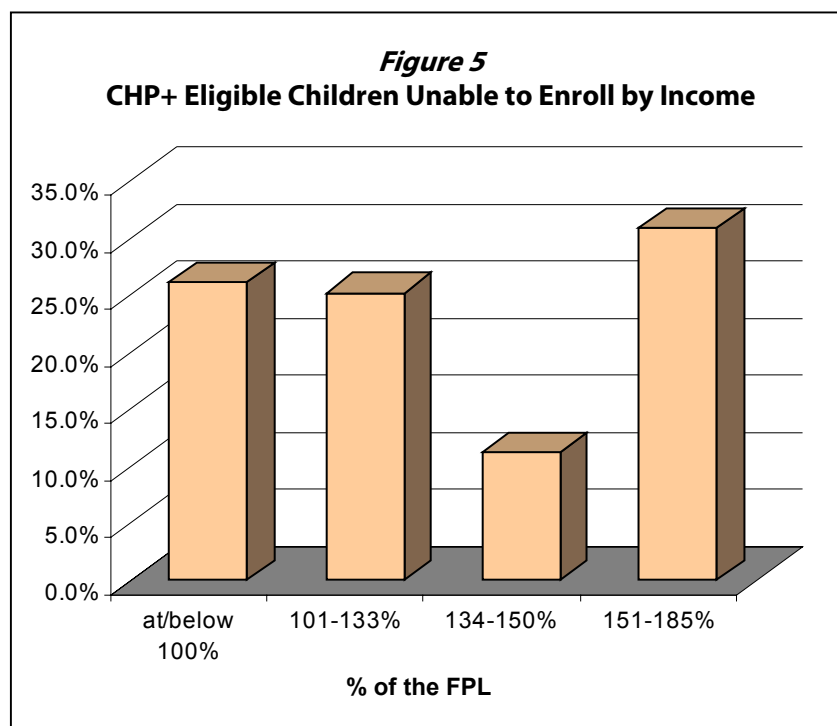
Table 1
The 2004 Federal Poverty Level by Family Size and Income

Family Size	100% of FPL	133% of FPL	150% of FPL	185% of FPL
2	\$12,490/yr or \$1,040/month	\$16,612/yr or \$1,384/mo	\$18,735/yr or \$1,561/mo	\$23,107/yr or \$1,925/mo
4	\$18,850/yr or \$1,571/month	\$25,071/yr or \$2,089/mo	\$28,275/yr or \$2,356/mo	\$34,872/yr or \$2,906/mo

Colorado uses an asset test for Medicaid. The Medicaid asset test can exclude otherwise eligible children from Medicaid on the basis of the family’s material resources. As a result, children living below 100% FPL may be eligible for CHP+ because of the Medicaid asset test.

Among children in CKF’s count, more than half lived at or below 133% of the Federal Poverty Level. Moreover, fully one quarter of the children in CKF’s count lived at or below 100% of the FPL.

This is perhaps the greatest tragedy of the CHP+ enrollment freeze: that children living below 100% FPL went uninsured. These children, who should—on the basis of their income—qualify for Medicaid, are the most vulnerable among the CHP+ population and were placed at the greatest risk by the enrollment freeze.



¹³ Colorado Quick Facts. The US Census Bureau. Available Online: <http://quickfacts.census.gov/qfd/states/08000.html>.

¹⁴ A third of our sample did not disclose language and ethnicity information (their data was therefore excluded).

¹⁵ More information on the federal poverty guidelines can be found at <http://aspe.hhs.gov/poverty/poverty.shtml>.

Fiscal Impact of the CHP+ Enrollment Freeze

In addition to the impact on the children described above, the CHP+ enrollment freeze had a significant fiscal impact on the State of Colorado. The CHP+ enrollment freeze cost Coloradans money, both in terms of direct losses through State income and expenditures as well as through indirect costs like cost shifting.

Loss of Federal Matching Funds

The State of Colorado incurred a number of losses due to of the enrollment freeze. The most significant was the loss of federal matching funds for the program. CHP+ is financed by a 2:1 federal: state match in funds; in other words, the federal government pays for 65% of the costs associated with CHP+ and the state pays 35%. During FY 2003-04, the CHP+ program was appropriated \$87.65 per member per month for medical costs and \$10.95 per member per month for dental costs.¹⁶ Assuming that the 5,712 CHP+ eligible children included in CKF's count had successfully enrolled into CHP+, this amounts to at least a \$1,451,188 loss in potential revenue for the State.

The loss of matching funds is compounded by Colorado's use of an asset test for Medicaid. Using CKF's data, a minimum of 1,496 children were ineligible for Medicaid due to the asset test during the CHP+ enrollment freeze, living in significant poverty and remaining uninsured.

When there is no enrollment freeze, the Medicaid asset test has the impact of drawing down a greater number of federal dollars, as the match for CHP+ is higher than the match for Medicaid.¹⁷ However, during the enrollment freeze, Colorado received no federal match for those children. If they were enrolled in Medicaid during the period of the freeze, these children would have drawn down approximately \$1,412,583 in federal Medicaid matching funds.

The Families USA report *Medicaid: Good Medicine for State Economies** illustrates how federal matching funds for health care programs contribute significantly to state economies. Matching funds contribute to state economies by stimulating business activity, creating new jobs, and by contributing to existing employee earnings. The lost matching funds creates a deficit in fiscal growth for the state, while increasing health and economic burdens on families.

The failure to draw down \$1,412,583 of matching Medicaid funds for the children who were eligible for CHP+ due to the Medicaid asset test cost Colorado:

- ◆ \$3,162,773 in business activity
- ◆ 30 jobs
- ◆ 1,192,220 in lost salaries and wages

*"Medicaid: Good Medicine for State Economies 2004 Update." Families USA. Available Online: http://www.familiesusa.org/site/DocServer/Good_Medicine_2004_update.pdf?docl

Cost Shifting during the CHP+ Enrollment Freeze

Though difficult to quantify, cost shifting can be one of the most insidious side effects of an enrollment freeze, and of uninsurance in general. Families need medical care whether or not they have health insurance, and when there is no insurance to pay for necessary care, both families and the health care system incur the costs.

Shifting Costs from CHP+ to Families

CHP+ eligible children who were unable to enroll into CHP+ because of the enrollment freeze had limited options for care. The Kaiser Family Foundation's 2003 report on North Carolina's SCHIP

¹⁶ *Children's Basic Health Plan Annual Report: State Fiscal Year 2004*. Colorado Department of Health Care Policy and Financing Medical Services Board. Available Online: <http://www.chcpf.state.co.us/HCPF/titlexxi/cbhpAddindex.asp>.

¹⁷ This increase in funds is offset by a decrease in program efficiency, as the Medicaid asset test is difficult to determine and is wasteful of Medicaid technicians' and families' time.

enrollment freeze illustrates the difficulties that families living at CHP+-qualifying incomes incur when uninsured.¹⁸ These hardships included:

- ◆ Delaying needed care due to cost
- ◆ Not knowing where to obtain low-cost care
- ◆ Having to use the hospital emergency room as a source of care
- ◆ Inability to obtain needed medications
- ◆ Incurring unaffordable bills for medical care

Anecdotal reports from CKF member agencies indicate that Colorado families incurred similar hardships.

Shifting Costs from CHP+ to the Colorado Indigent Care Program

Uninsurance also results in cost shifting to Colorado's health care safety net. The most visible of these costs were incurred by the Colorado Indigent Care Program (CICP). CHP+ eligible children who were unable to enroll into CHP+ during the freeze were eligible for CICP. Eighty-nine percent of children in CKF's count were referred to the CICP program in lieu of CHP+ coverage. It is impossible to know how many of those children actually utilized CICP when seeking medical care during the enrollment freeze.

Placing children onto CICP instead of CHP+ causes cost shifting in two key ways. First, CICP is funded by a fixed appropriation. As a result, increasing the number of people enrolled in the program decreases the per person reimbursement received by doctors. Therefore, doctors receive less for the care they give—not only to the CHP+ eligible clients, but to all CICP recipients. Second, because CICP is not health insurance and is only accepted by a limited number of providers, access to specialty care for CHP+ eligible children was very limited. Research on families in similar situations indicates that those families delayed needed care until conditions were more serious or incurred medical bills that they were unable to pay when they accessed care.

Shifting Costs from CHP+ to Safety Net Providers

In 2003, Colorado's Community Health Centers (CHCs) served 15,178 CHP+ enrolled children.¹⁹ This represents thirty percent of all CHP+ enrollees receiving benefits during that year. CHCs provide medical and dental care to low-income Coloradoans who would not otherwise have access to care. CHCs provide services to CHP+ and Medicaid clients, as well as to a large population of uninsured clients. Because CHCs' payer mix is dominated by uninsured clients, the revenue generated by insured clients is especially important.

During the CHP+ enrollment freeze, CHCs participating in CKF's Count of Kids provided services to 1,811 CHP+ eligible children. These children were uninsured as a result of the enrollment freeze. According to the Colorado Community Health Network, the state association of CHCs, this represents a loss of \$953,836 to those health centers.

¹⁸ *The North Carolina Health Choice Enrollment Freeze of 2001*. Kaiser Commission on Medicaid and the Uninsured. January 2003.

¹⁹ Colorado Community Health Network, 2003 Uniform Data System reporting.

CHP+ and Colorado's Budget

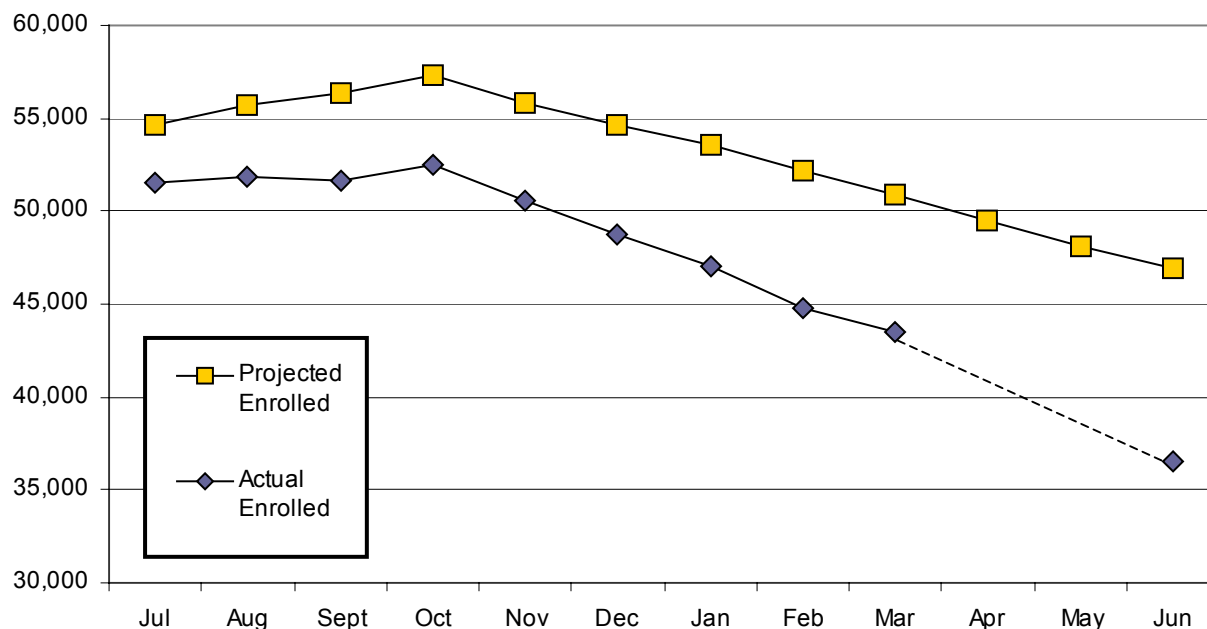
Average Monthly Enrollment versus Actual Children

The annual CHP+ appropriation is set using a projected average monthly enrollment (AME) of children throughout the year. While the AME for CHP+ is estimated on the basis of previous enrollment trends and costs in the insurance market, the actual AME is only known after the fiscal year has expired and the number of children in the program distributed equally throughout the year. Budgeting for an AME had two detrimental effects on children during the enrollment freeze:

- ◆ New enrollments were halted far earlier than necessary
- ◆ There was no waiting list maintained during the freeze

In order to manage growth in the CHP+ program, HCPF creates growth projections annually. These projections allow HCPF to estimate if CHP+ will exceed its appropriation. During FY 03-04, HCPF projected that CHP+ would exceed its appropriation by November 2003—only five months into the fiscal year. As a result, HCPF froze new enrollments into the program in November 2003. Unfortunately, the projections were not accurate, and growth in the program was much slower than anticipated. When CHP+ froze to new enrollments, there was space for approximately 4,000 additional

Figure 6
CHP+ Enrollment during State Fiscal Year 2003-2004



children in the program.²⁰

The use of the AME also contributed to the decision not to maintain a waiting list during the enrollment freeze. Because the actual AME is only known at the end of the fiscal year, there is no way to open the program throughout the year. A waiting list would only provide a list of potential new

²⁰ *Health Care Policy and Financing Update on Children's Basic Health Plan Enrollment Cap*, report to the House Health Environment Welfare and Institutions Committee, April 19, 2004 and the *CHP+ FY 04-05 Summary*, report to the HCPF Medicaid Services Board, August 13, 2004.

enrollees after the fiscal year was over, and CHP+ was expected to re-open by then, so a waiting list was deemed unnecessary.²¹

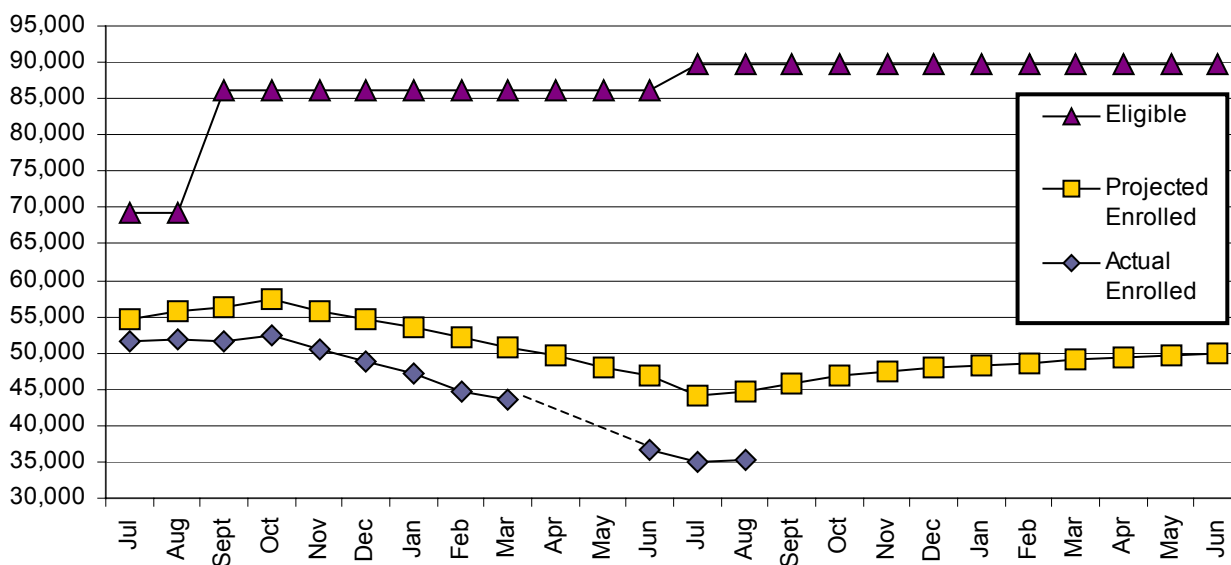
These problems could have been avoided if Colorado accounted for children on the basis of the actual enrollments rather than AME. This could have shortened the length of the freeze by delaying it until the program was truly exceeding the annual appropriation. Additionally, HCPF could have maintained a waiting list during the freeze and added children to the program as others disenrolled. Both of these policies would have diminished the negative impact of the enrollment freeze on families by allowing thousands of more children to be enrolled.

CHP+ and Colorado's Ongoing Budget Crisis

It is impossible to understand Colorado's social programs without understanding their place in the state budget. According to recent legislative projections, \$263 million will be cut from the state budget during FY 05-06, leaving CHP+ and other programs vulnerable.

Even without cuts, the current appropriation will not allow for the coverage of all eligible children. The fiscal year 2004-2005 appropriation for CHP+ is 48,681 AME, 4,284 fewer AME than the allocation for fiscal year 2003-2004 and 41,031 less than what is needed to cover all of the eligible children across the state.²²

Figure 7
CHP+ Enrollment: State Fiscal Years 2003-2004 and 2004-2005



²¹ CHP+ Enrollment Cap for FY 03-04: Questions and Answers. Colorado Department of Health Care Policy and Financing.

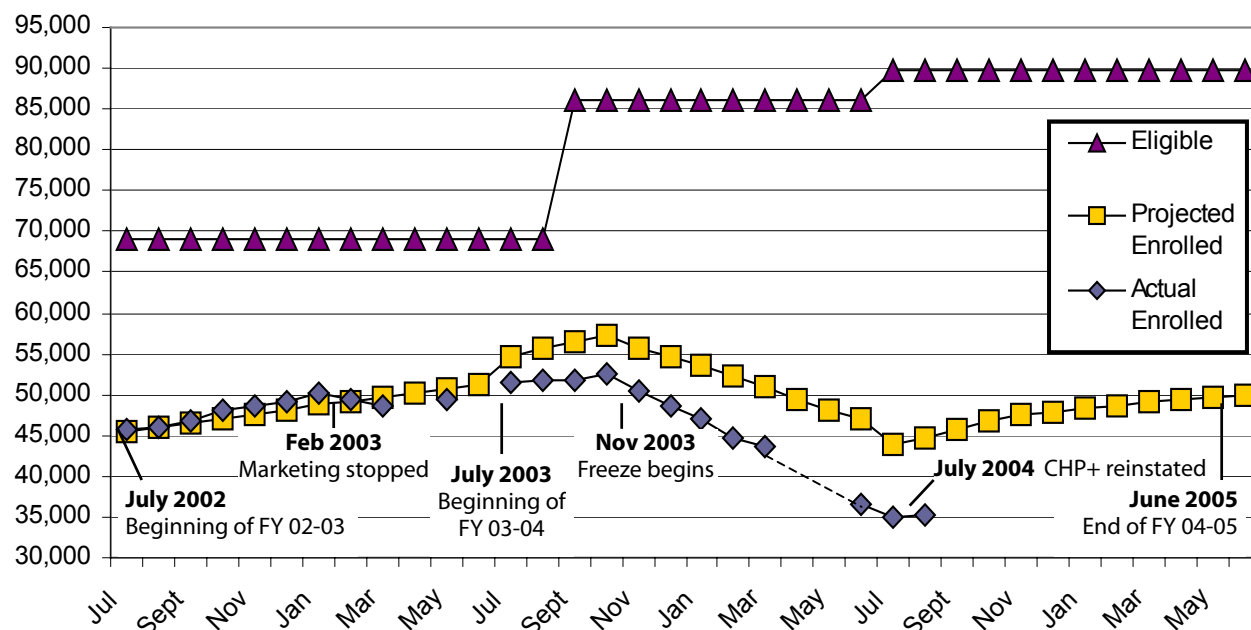
²² Data sources: Health Care Policy and Financing Update on Children's Basic Health Plan Enrollment Cap, report to the House Health Environment Welfare and Institutions Committee, April 19, 2004

- CHP+ FY 04-05 Summary, report to the HCPF Medicaid Services Board, August 13, 2004
- Children's Basic Health Plan Annual Report: State Fiscal Year 2003. Colorado Department of Health Care Policy and Financing Medical Services Board. Available Online: <http://www.chcpf.state.co.us/HCPF/titlexxi/cbhpAddindex.asp>.
- CHP+ FY 04-05 Summary, report to the HCPF Medical Services Board; FY 05-06 Joint Budget Committee Hearing, Department of Health Care Policy and Financing. Available online: <http://www.chcpf.state.co.us/HCPF/Budget/jbc%20hearings%2005/JBC%20Hearing%20Responses.pdf> Page 67
- CHP+ Enrollment and Eligibility Statistics by Region. Available Online: <http://www.cchp.org/chpweb/mainPage.cfm?pageToLoad=newsL.cfm&letterType=monthly&fileExt=pdf>.

The Reinstatement of CHP+ and Beyond

The Denver *Rocky Mountain News* reported July 28, 2004 that, “thousands of Colorado families aren’t taking advantage of free, government-sponsored health coverage for their children.”²³ While the back-to-school period, which typically sees an increase in applications for the program, may have boosted the rate of CHP+ enrollments, this trend is not likely to fully reverse until widespread marketing for the program resumes. Figure 8 demonstrates how CHP+ enrollments began to decline after marketing ceased in February 2003, at a rate more significant than had been previously projected.

Figure 8
CHP+ Enrollment and Budget Management: State Fiscal Years 2003-2004 and 2004-2005



CHP+ targets a demographic group that does not usually qualify for public benefits. As a result, CHP+ families often do not know where to access resources during times of need. They are unlikely to seek assistance from local county human/social service offices because they do not believe that they would qualify for benefits or they don’t know where to turn for assistance. Families often incorrectly assume that their income is too high to qualify for the program, because most human services programs target families living in greater poverty.

Without active, widespread marketing for CHP+, families will not learn about this program unless they are fortunate enough to be referred to it. While many agencies, including ACS, are working to reach children through schools, medical providers, and libraries, there is no comprehensive marketing strategy. A campaign that includes both the grassroots outreach described above and widespread marketing would be the most effective option for boosting enrollments. However, due to continued constraints on Colorado’s budget and fears that enrollments will again be frozen, no resources are currently being devoted to CHP+ marketing.

²³ “Low Income Health Care Services Go Unused.” *Rocky Mountain News*. Bill Scanlon, July 28, 2004.

In its recent report to the Joint Budget Committee, HCPF discussed the importance of marketing to the success of CHP+:

“During the two-year span from January 2001 to January 2003, enrollment grew at an average pace of 900 members per month. That compares to 359 members per month with no marketing assumed in the FY 05-06 budget request.”

HCPF estimates that by resuming marketing for CHP+, an additional 3,516 children could be added to the program in State Fiscal Year 2005-2006.²⁴ This would bring Colorado to a 60% penetration, or take up, rate in our CHP+ program, a vast improvement over the 39% penetration rate Colorado has today.

Colorado Covering Kids and Families thanks the following agencies for participating in CKF's Count of Kids: Clinica Campesina; Commerce City Community Health Services; Denver Health; Fremont County Nursing Service; Health District of Northern Larimer County; High Plains Community Health Center; Hilltop Community Resources, Inc; Jefferson County Department of Health and Environment; Jefferson County Schools Medicaid and Homeless Services; MCPN Jefferson County Clinic; MCPN Helena Clinic; Mountain Family Health Center; Northwest Counties Visiting Nurse Association; Otero County Health Department, La Junta; Peak Vista Community Health Center; People's Clinic; Pueblo Community Health Center; Pueblo Coalition for the Medically Underserved; Salud Family Health Centers; San Juan Basin Health Department; Tri County Health Department; Uncompahgre Medical Center; Weld County Health Department.

²⁴ FY 05-06 Joint Budget Committee Hearing, Department of Health Care Policy and Financing. Available online: <http://www.chcpf.state.co.us/HCPF/Budget/jbc%20hearings%2005/JBC%20Hearing%20Responses.pdf> Page 67.