

SB 997 (Lara): #Health4All Kids

Let Kaiser Kids Stay on Kaiser

Last year's historic enactment of Health4All Kids (SB 4 Lara and AB 75 of 2015) allows all low-income California children regardless of immigration status to enroll in Medi-Cal. Starting in May, all income-eligible children will have access to comprehensive, zero-cost or low-cost Medi-Cal benefits, including dental and mental health coverage as well as the full array of health benefits (doctors, hospitals, prescription drugs, and more). Efforts by Health Access and allies in the health, immigration, children's and consumer advocacy community to implement this historic law are underway today.

However, additional legislation is needed to ensure that children who currently have coverage through the Kaiser Permanente Child Health Program (KPCHP) do not face disruptions as they are switched to Medi-Cal. As Health4All Kids is implemented, we must ensure that these "Kaiser kids" can maintain their Kaiser coverage to avoid interruptions in coverage and access to care.

Sponsored by Health Access, SB 997 (Lara) would require the Department of Health Care Services to allow undocumented children who are currently enrolled in the Kaiser Permanente Child Health Program and who are eligible for Medi-Cal to maintain their current Kaiser coverage.

Background

Prior to the passage of SB 4 (Lara) and AB 75 last year, undocumented children were not eligible for full-scope Medi-Cal. Currently, over 120,000 undocumented children are enrolled in restricted scope, emergency-only Medi-Cal and an additional 70,000 undocumented children have comprehensive health coverage through the Kaiser Permanente's Child Health Program. All of the children on restricted scope Medi-Cal will be shifted to full-scope Medi-Cal when Health4All Kids is implemented in May 2016. The children in Kaiser's program will also be eligible for Medi-Cal and legislation is needed to help them remain on their Kaiser plan when they transition to Medi-Cal. Kaiser Permanente voluntarily covered undocumented children when there was no alternative for these families; now that most of these children will be eligible for full-scope Medi-Cal, Kaiser should be able to keep serving them to maintain continuity of care and coverage.

While enrolling the children currently in the Kaiser program in Medi-Cal seems like an easy solution, there are a number of statutory, administrative and logistical barriers. One of the major barriers is that Kaiser is a contracted Medi-Cal managed care plan in only two counties (Sacramento and San Diego). In the other 56 counties, Kaiser coverage is not one of the choices directly offered to families, even if Kaiser is a subcontractor of another Medi-Cal managed care plan. In some counties, Kaiser has no Medi-Cal managed care contracts for children.

Preserving Access, Choice and Continuity of Care

Health Access is committed to maintaining the structure and integrity of the existing Medi-Cal managed care rules that strengthen the health care safety net while allowing consumer choice. Ensuring the undocumented children covered by Kaiser can maintain their current health coverage requires an exception to the current rules that govern Medi-Cal managed care in 56 of California's 58 counties. This one-time special exception will maintain continuity of care and ensure these children continue to have quality, stable health coverage.

The rules for Medi-Cal managed care, which Health Access and other consumer and community groups support, are designed to help the safety net which relies heavily on county hospitals and community clinics. In most counties, Medi-Cal beneficiaries have a choice between two health plans, a public plan grounded in the county health system or a commercial plan. In certain counties, they are required to enroll in a public County Organized Health System plan.

An exception to these rules is needed to allow the undocumented children covered by Kaiser to maintain their current coverage, if they choose to. SB 997 (Lara) will allow the undocumented children currently covered by Kaiser to continue receiving their care and coverage from Kaiser after they enroll in Medi-Cal. This is a special exception to the existing rules; all of the other rules related to the two-plan model and County Organized Health Systems, from default algorithms to the requirement to include local initiatives, will be maintained.

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