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REPORT

FINAL REPORT

Congressionally Mandated Evaluation of the Children's Health Insurance Program: A Case Study of Alabama's ALL Kids Program

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I. BACKGROUND AND RECENT HISTORY

A source of great pride for the state, Alabama's Children's Health Insurance Program—*ALL Kids*—was the first in the nation to be approved following passage of the Balanced Budget Act of 1997 and the creation of the State Children's Health Insurance Program (SCHIP, now referred to as CHIP). The program was rolled out in two stages, beginning with a small Medicaid expansion in February of 1998 that extended coverage to 15-18 year olds up to 100 percent of the Federal poverty level (FPL)[1]; and then with the creation of the more prominent separate program (*ALL Kids*) in October of 1998, which provided coverage to uninsured children under age 19, above Medicaid income level up to 200 percent of the FPL. *ALL Kids* was designed to look like a commercial insurance product, and today offers coverage to children ages 0 to 18 years in families with incomes above Medicaid and up to 300 percent of the FPL, delivering services through the Blue Cross Blue Shield of Alabama (BCBSAL) network.

Initial passage of Alabama's CHIP program took place during a special legislative session called after Governor Fob James vetoed the state budget. This tense legislative session provided an opening to add CHIP to the agenda, and led to a quick decision on the matter. A contentious gubernatorial race between incumbent Governor James and Lieutenant Governor Don Siegelman was underway, in which Lieutenant Governor Siegelman (who ultimately won the next election) voiced support for passage of CHIP. The legislature passed a joint resolution to establish a CHIP commission to plan the program, over the Governor James' objection, appointing the State Health Officer, who runs the Alabama Department of Public Health (ADPH) to chair the commission. Authority to administer CHIP was ultimately given to ADPH and not Alabama Medicaid. At the time, the Alabama Medicaid agency was facing serious budget overruns coupled with a lack of support from the legislature and the provider community. In contrast, *ALL Kids* was seen as an opportunity to implement a new model of public coverage, modeling private insurance.

Alabama benchmarked its CHIP package to the largest commercial HMO at the time (which was United Health Care), and contracted with BlueCross BlueShield of Alabama – the dominant health plan in the state – to deliver services and process claims for the *ALL Kids* program. Alabama Medicaid does not utilize the BCBSAL network, but instead has a Primary Care Case Management (PCCM) delivery system with considerably fewer participating providers. As a result, *ALL Kids* enrollees benefit from a robust provider network, and possession of the all-important "BC/BS card" that entitles enrollees access to the same providers as those enrolled in commercial BC/BS products. This is lauded as a cornerstone achievement of the *ALL Kids* program, and a source of widespread satisfaction among members. While *ALL Kids* enrollees enjoy ready access to a wide range of providers and services, those enrolled in Alabama Medicaid, in contrast, often experience difficulty accessing providers, particularly dental providers and pediatric specialists. As such, Medicaid in the state retains a certain stigma from which *ALL Kids* has been protected. This disparity has been exacerbated by recent concerns

[1] This coverage was an acceleration of a federally mandated phase-in of coverage for all children under age 19 born after September 30, 1983. This phase-in was complete as of October 1, 2002, after which this group was subsumed within Title XIX.

about accounting within the Alabama Medicaid office, the resignation of the Medicaid Commissioner, and a 10 percent reduction in Medicaid provider payments in mid-2012 to offset apparent budget discrepancies.

Since 2006—the end of the study period for the previous Congressionally Mandated CHIP Evaluation—Alabama has implemented several important changes to the *ALL Kids* program, including small changes in cost-sharing responsibilities and enrollment and renewal simplifications. Specifically, Alabama has implemented:

1. On-line enrollment[2] and renewal;
2. Electronic signatures for its online applications; and
3. Citizenship verification through a data match with the Social Security Administration (SSA).[3]

Perhaps the most significant changes to Alabama's CHIP program, however, occurred in 2009 when the state increased its upper income eligibility threshold from 200 to 300 percent of the FPL, and in 2011 expanded the program to children of public employees. While there was little debate regarding these expansions, the results have been somewhat troubling for the state which (like many others) is experiencing a budget crisis coupled with strong resistance to tax increases. In state fiscal year 2013 the *ALL Kids* program is facing the possibility of a $10 million budget shortfall, a circumstance that has required ADPH to consider creative and drastic changes to the program. Among the solutions that have been under consideration are:

1. Imposing an enrollment waiting list or rolling back eligibility to 200 percent of the FPL—proposals that were determined to be in violation of the maintenance of effort (MOE) requirements imposed by the Affordable Care Act;
2. Moving 6-18 year old children in families with income below 133 percent of the FPL to Medicaid in advance of the 2014 deadline—a move that would be inadequate to cover the anticipated budget shortfall;
3. Moving *ALL Kids* enrollees from the BC/BS provider network—which has served as a cornerstone of the program's success—to the Medicaid program's provider network, allowing ADPH to reimburse providers at substantially lower Medicaid rates; and
4. Negotiating directly with the BC/BS provider network to accept lower rates for *ALL Kids* enrollees.

Each of these proposals has been under consideration over the spring and summer of 2012, and plans to move children to the Medicaid provider network or to negotiate directly with BC/BS providers have been thoroughly vetted. In the meantime, state budget officials may have identified new funds that could be used to cover the $10 million shortfall, as well as implement

[2] Alabama has had some version of on-line enrollments since 2004.

[3] In addition, Alabama Medicaid adopted self-declaration of income.

other program enhancements, that together hold the potential to eliminate the need to pursue any of these options.

All of these factors provide important context as Alabama plans for implementation of healthcare reform under the Affordable Care Act, including considerable concerns regarding the adequacy of the Medicaid provider network to serve all potentially eligible Alabamians. Many hope that the service delivery and eligibility and enrollment innovations that *ALL Kids* has implemented over the years with great success will inform implementation of the Affordable Care Act in Alabama.

This case study is primarily based on a site visit to Alabama conducted in June 2012 by staff from the Urban Institute.[4] Alabama was one of 10 states selected for study in the second Congressionally-mandated evaluation of the Children's Health Insurance Program (CHIP) called for by the CHIP Reauthorization Act of 2009 (CHIPRA) and overseen by the Assistant Secretary for Planning and Evaluation (ASPE). The report focuses primarily on changes to state programs that have occurred since 2006, with a particular focus on state responses to provisions of CHIPRA. The site visit included interviews with more than 30 key informants, including state CHIP and Medicaid officials, legislators, health care providers and associations, health plans and associations, children's advocates, and community-based organizations involved in outreach and enrollment. (See Appendix A for a list of site visitors and key informants). In addition, a total of three focus groups were conducted in Montgomery and Mobile. Two with parents of children enrolled in *ALL Kids*, and one group with parents whose children had been disenrolled from the program. Findings from these focus groups are included throughout the report and serve to augment information gathered through stakeholder interviews.

The remainder of this case study report will describe recent *ALL Kids* program developments and their perceived effects in the key implementation areas of: eligibility, enrollment, and retention; outreach; benefits; service delivery, quality, and access; cost sharing; crowd out; financing; and preparation for health care reform. The report concludes with cross-cutting lessons learned about the successes and challenges associated with administering Alabama's CHIP program.

[4]Since our site visit was conducted before the Supreme Court ruled on the constitutionality of the Affordable Care Act, this case study report largely reflects the *ALL Kids* program and policy developments prior to the ruling. Where relevant, updates have been made to the extent possible.

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II. ELIGIBILITY, ENROLLMENT, AND RETENTION

Alabama's *ALL Kids* program has worked hard to implement innovative eligibility and enrollment policies and procedures, engaging partners and taking advantage of available resources to do so. Alabama was one of eight states to receive a Maximizing Enrollment grant from the Robert Wood Johnson Foundation, which supported the state's assessment of persistent challenges surrounding the enrollment of uninsured children, development of goals for improving enrollment processes, and ultimately the implementation of proposed changes. Recent eligibility expansions, the roll-out of a fully functional on-line application for enrollment and renewal, and administrative matching for assessing citizenship are a few recent innovations that have improved the ease of applying for the program while simultaneously expanding the reach of coverage. Furthermore, close coordination with Medicaid over the years has facilitated the screen and enroll process, as well as the movement of children from one program to the other. This section describes Alabama's recent gains with regard to eligibility policies, enrollment procedures, and retention.

Eligibility Policies. Alabama's *ALL Kids* program extends coverage to children ages 0-18 in families with incomes up to 300 percent of the FPL. Alabama Medicaid eligibility thresholds are set at the federal minimum requirement and are among the lowest in the country (Kaiser, 2012), covering children 0-5 up to 133 percent of the FPL and children 6-18 years old up to 100 percent of the FPL (see Table II.1).

As mentioned above, there have been two significant expansions to *ALL Kids* in recent years. In 2009, the upper income limit for *ALL Kids* eligibility was raised from of 200 percent to 300 percent of the FPL; and in 2011 the children of Alabama public employees became newly eligible for the program, an option allowed by the passage of the Affordable Care Act. These two expansions were unanimously perceived to be the most significant changes to the CHIP program in Alabama since 2006—according to key informants interviewed for this case study—and have had broad impacts, extending coverage to many. Some noted, however, that the eligibility expansion to 300 percent of the FPL meant that the state is now paying to insure some children who had previously had coverage paid for by private philanthropy. Specifically, BC/BS of Alabama had run its *Caring Program* for children in families with income between 200 and 225 percent of the FPL, an effort that was abandoned in 2011 after the *ALL Kids* expansions.

Table II.1. Eligibility Rules, By Age and Income (as % FPL) for Medicaid and CHIP

	Age Categories		
	Infants	1 to 5	6 to 18
Medicaid	133%	133%	100%
M-CHIP	N/A	N/A	N/A
S-CHIP (*ALL Kids)*	300%	300%	300%

Neither of these decisions (to expand to 300 percent FPL or make the program available to the children of public employees) was characterized as controversial. Though the Governor at the time (Bob Riley) voiced his opinion that coverage up to 200 percent of FPL was adequate, there were no significant debates or attempts to block the legislature from making these

decisions. This is consistent with the overall bipartisan support the Alabama CHIP program has enjoyed over the years.

Despite being run separately, the eligibility and enrollment processes for *ALL Kids* and Medicaid have been well coordinated, facilitating shared data and easing the process by which children are screened and enrolled in the program for which they are eligible. This has been a priority from the beginning, when the *ALL Kids* enrollment process emerged from a joint task force in which the need for compatibility was emphasized. Alabama has had a joint application for *ALL Kids* and Medicaid since the beginning, and has worked to implement several additional simplifications to the application process. For instance, income and citizenship can be self-declared, and citizenship can be confirmed with the use of SSA data. Alabama CHIP and Medicaid offer 12 months continuous eligibility (regardless of fluctuations in family income), but no presumptive eligibility—which *ALL Kids* leadership asserts is unnecessary given a standard 10 day turn around for CHIP application processing. Neither CHIP nor Medicaid requires an assets test, they both use the same income disregards, and neither program requires a face-to-face interview. Alabama has a joint on-line application for Medicaid and CHIP that is fully functional, and accepts e-signatures to facilitate the enrollment process.Both programs can confirm citizenship through SSA matching.

Table II.2. CHIP and Medicaid Eligibility Policies

	CHIP	Medicaid	Details
Retroactive Eligibility	Yes	Yes	CHIP-If a parent submits an application for an eligible newborn within 60 days after the birth, coverage can be retroactive to the date of birth; Medicaid-retroactive eligibility for three months preceding the month of the application
Presumptive Eligibility	No	No	Medicaid offers presumptive-like eligibility to pregnant women
Continuous Eligibility	Yes, 12 months	Yes, 12 months	
Asset Test	No	No	
Income Test	Net income	Net Income	
Citizenship Requirement	SSA Matching	SSA Matching	
Identity Verification	SSA Matching	SSA Matching	The ALL Kids application requires a signature verifying a child's identity; Medicaid requires documentation
Redetermination Frequency	12 months	12 months	

Sources: The Henry J. Kaiser Family Foundation, State Health Facts. Alabama: Application Requirements for Children, Available at: http://www.statehealthfacts.org/profileind.jsp?cat=4&sub=59&rgn=2

The National Academy of State Health Policy, State CHIP Fact Sheets 2010. Alabama. Available at: http://nashp.org/sites/default/files/CHIP_State_Map/AL.10.pdf

Georgetown University Health Policy Institute Center for Children and Families. Alabama Medicaid and CHIP Programs. Available at: http://ccf.georgetown.edu/programs/al-mcp/

Enrollment Process. The *ALL Kids* enrollment process has been refined in recent years to facilitate simple and timely enrollment of children. The Alabama Department of Public Health (ADPH) handles *ALL Kids* enrollment and eligibility determination in-house. Nineteen eligibility staff screen, process and determine eligibility for approximately 500 applications a day. ADPH also has a distribution unit with seven staff members who receive and processes all incoming and outgoing mail, and maintain a "paperless" system by scanning all documents they receive. In addition, it has a customer service unit staffed by 4 social workers and 4 customer service representatives who handle approximately 10,000 calls a month. Behind the scenes, *ALL Kids* eligibility and enrollment staff confirm citizenship using the SSA database, verify income when it is not provided (or the wrong information has been provided), and—with the help of BCBSAL—confirm the child does not currently have health insurance. Once the application is processed and sent to BCBSAL, families will typically receive a card within 7 to 10 days.

Focus Group Findings: Enrollment

Most parents completed the application either online or by mail; however some children who were previously enrolled in Medicaid were seamlessly rolled into ALL Kids when they became ineligible for Medicaid. Overall, parents described the enrollment process as easy and most completed the application without assistance.

"The application process was easy to fill out. Everything was basically self-explanatory."

"I went online…it was just a lot of questions, but it wasn't hard."

"I called the 1-800 number and they sent me the form."

"Mine was just a transition from Medicaid to ALL Kids…anything they needed, they just communicated through the mail and I sent back."

Parents did report varied experiences with requirements to submit verification. While several parents submitted birth certificates, proof of income, and documentation verifying prior coverage, others were not required to send in additional documents.

"I didn't turn in anything."

"I had to send in other paperwork…I had to show the letter that showed that I was being laid off…[and] I had to give them the certificate…showing that my child's insurance coverage was ending…we kept going back and forth."

"I had to prove that my stepson was living with us…for him it took a little longer."

If an application is found to be Medicaid eligible, *ALL Kids* eligibility and enrollment staff forward it to Medicaid for eligibility determination. The joint application and compatible eligibility determination processes facilitate this transfer. Applications that have been submitted online can be transferred between CHIP and Medicaid electronically. For paper applications, the data can be electronically transmitted but the applications are forwarded by mail, a process that was described as less efficient. Once transferred to the Medicaid side, applications are reviewed and determinations typically take between four and six weeks.

Enrollment simplification efforts, coupled with continued strong enrollment growth, have resulted in Alabama receiving CHIPRA performance bonuses three years in a row (2009, 2010, and 2011), totaling more than $110 million. Since receiving these bonuses, Alabama Medicaid and CMS have been in discussions about a potential error in the calculation of enrollment numbers for 2009 and 2010. Additionally, an audit is being conducted by the Office of the Inspector General concerning the CHIPRA performance bonuses.

Table III.3. Current CHIP Application Requirements and Procedures

Form	
Joint Application with Medicaid	Yes
Length of Joint Application	8 pages; 1 title page, 1 page agreements/signature, 6 pages application
Languages	English, Spanish
Application Requirements	
Age	Yes – self-declared
Income	Yes – self-declaration except for self employed families who are required to provide a copy of their most recent, signed tax return
Deductions	Yes – working adults in the home, child support, child/adult daycare expense
Social Security Number	Yes – self declared; data match with the Social Security Administration
Citizenship	Yes-Self-declaration with internal verification through SSA matching
Enrollment Procedures	
Express Lane Eligibility	No
Mail-In Application	Yes
Telephone Application	No
Online Application	Yes
Hotline	Hotline available; cannot apply by telephone but can renew
Outstationed Application Assistors	No
Community-Based Enrollment	No, centralized enrollment

Sources: The Henry J. Kaiser Family Foundation, State Health Facts. Alabama: Application Requirements for Children, Available at: http://www.statehealthfacts.org/profileind.jsp?cat=4&sub=59&rgn=2

The National Academy of State Health Policy, State CHIP Fact Sheets 2010. Alabama. Available at: http://nashp.org/sites/default/files/CHIP_State_Map/AL.10.pdf

Alabama Department of Public Health: ALL Kids Children's Health Insurance Program. Available at: http://www.adph.org/allkids/Default.asp?id=3223

Express Lane Eligibility. Another component of Alabama's enrollment simplification effort has been the implementation of Express Lane Eligibility (ELE) for Medicaid enrollees. Alabama Medicaid receives data from the Supplemental Nutritional Assistance Program (SNAP) and the Temporary Assistance for Needy Families (TANF) program to identify children who are eligible for but not enrolled in Medicaid. Though ADPH was involved in the planning and design of ELE in Alabama, *ALL Kids* did not ultimately pursue ELE for CHIP enrollees because the income eligibility guidelines for CHIP did not align with the human services programs that were being considered for data sharing. In the future, there is some hope that CHIP can coordinate with the Women Infants and Children (WIC) program to identify children eligible for *ALL Kids.*

As in other ELE states, Alabama's ELE program is scheduled to sunset in 2013. Alabama had planned to extend ELE to parents of children enrolled in Medicaid to facilitate enrollment of adults who would become newly eligible for Medicaid with implementation of an Affordable Care Act Medicaid expansion. Alabama has been told by CMS, however, that there will not be any ELE for adults, though there may be other "accelerator" programs to help facilitate identification and enrollment of those newly eligibles.

Renewal Processes and Procedures. Alabama's renewal and redetermination procedures have also been simplified in recent years, with one key informant noting that the state just "keep[s] making strides," with improving the CHIP renewal processes. Paper renewal forms for *ALL Kids* and Medicaid are pre-populated, and require only that families confirm that the information provided is still accurate, update information where necessary and provide current income information. Paper renewals are sent to families two months prior to a member's renewal date; if ADPH receives no response, a "notice of cancellation" letter is sent one month before coverage is set to end. *ALL Kids* has also worked to improve its online renewal capabilities. The online process previously allowed for renewals, but they were not pre-populated, and essentially required filling out a "new" application. Recently ADPH improved the interface allowing for pre-populated fields to appear when a family logs into their child's *ALL Kids* account. Approximately 20 percent of *ALL Kids* renewals are submitted online, and there has been no formal push to promote it, beyond making the process more user-friendly. Online renewal is not yet fully functional for Alabama Medicaid.

Focus Group Findings: Renewal

Parents found the renewal process easy due to the pre-populated form they received in the mail before their coverage ended.

"They send half of the form filled out, just certain areas where if anything changed, you would have to fill out."

"You just put your income…that's the only thing."

"If you owe, you've got to put that check in there with the application, and you're good to go…so it's very simple."

However, one parent encountered more difficulties with the renewal process when there were changes to income.

"Over the phone was easy…[but] then I started working part-time…[and the renewal] process was awful because we went from March until June before they finally decided to give both my children ALL Kids…they kept sending it back for your income…that was a horrible experience."

Table II.4. Renewal Procedures in Alabama CHIP and Medicaid as of January 2012

	Renewal Requirements	
	CHIP	Medicaid
Passive/Active	Active	Active
Ex-Parte	No	No
Rolling Renewal	No	yes
Same Form as Application	No	No
Preprinted/Pre-populated Form	Yes	Yes
Mail-In or Online Redetermination	Form is mailed by the state but can be returned by mail or submitted online; can also renew by telephone	Form is mailed by the state but can be returned by mail or submitted online
Income Documentation Required at Renewal	No (except self employed)	No(except self employed)
State Administratively Verifies Income	No	Yes
Other Verification Required	No	No

Sources: The Henry J. Kaiser Family Foundation, State Health Facts. Alabama: Application Requirements for Children, Available at: http://www.statehealthfacts.org/profileind.jsp?cat=4&sub=59&rgn=2

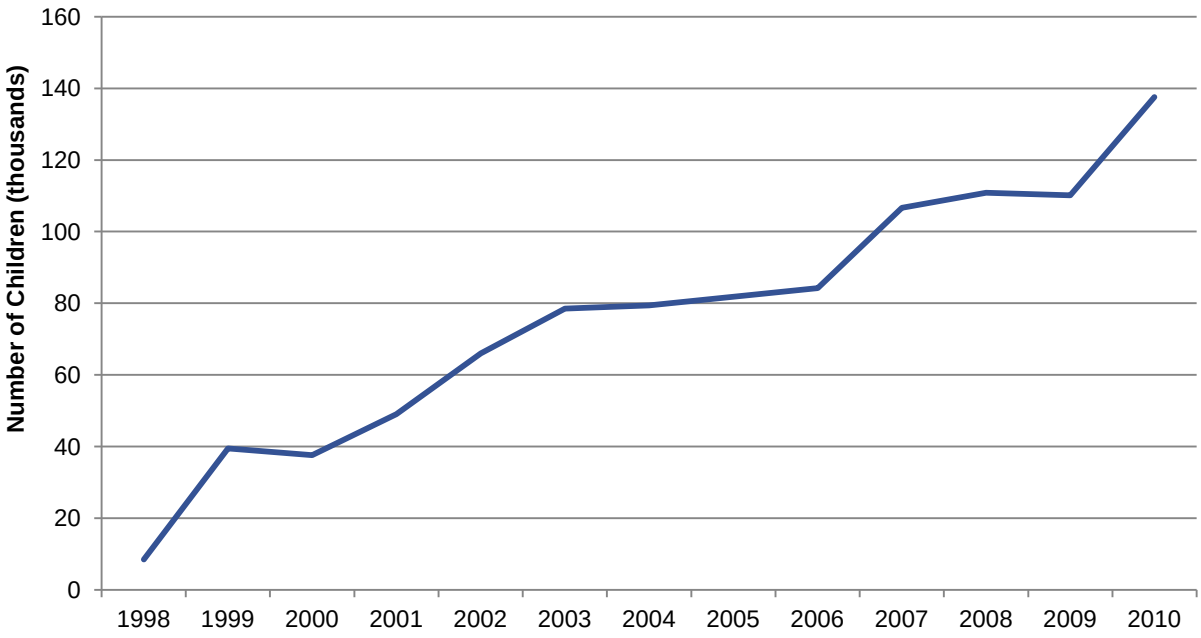
The National Academy of State Health Policy, State CHIP Fact Sheets 2010. Alabama. Available at: http://nashp.org/sites/default/files/CHIP_State_Map/AL.10.pdf

Georgetown University Health Policy Institute Center for Children and Families. Alabama Medicaid and CHIP Programs. Available at: http://ccf.georgetown.edu/programs/al-mcp/

Discussion .Alabama has worked hard over the past several years to achieve enrollment and renewal efficiencies, maximizing the usability of their on-line application and renewal system with the use of e-signatures, introducing self-declaration and administrative verification of income at both enrollment and renewal, and providing pre-populated forms (by mail and on-line) for renewal to minimize the burden to families for staying enrolled. Furthermore, *ALL Kids* and Alabama Medicaid have worked together to streamline the sharing of information and facilitate the transfer of applications between the two programs, though data are shared electronically, certain manual processes for the transfer remain.

In addition, Alabama has implemented two significant expansions in the past several years, including an expansion from 200 to 300 percent of the FPL, as well as opening the program up to children of public employees, who were previously excluded. Program expansions, coupled with enrollment and renewal improvements, have resulted in a rather significant jump in enrollment in recent years, an achievement of which Alabama has been proud. As the state now faces considerable budget challenges, and MOE requirements restrict the changes that Alabama can make to its eligibility policies, these program expansions now pose a significant sustainability challenge.

Figure III.1. Children Enrolled in *ALL Kids* (by Federal Fiscal Year)



Source: SEDS.

III. OUTREACH

While Alabama has recently halted all outreach efforts in light of looming budget shortfalls, the state has historically funded a robust outreach program that reached new heights of effectiveness in recent years, as they leveraged the popularity of sports in Alabama to promote the program.

With the expansion of eligibility to 300 percent FPL in 2009, Alabama launched a dedicated outreach campaign aimed at reaching the newly eligible. The state focused on working closely with the athletics community in Alabama, and partnered with sports marketing groups for the two largest universities in Alabama—The University of Alabama and Auburn University—to promote the *ALL Kids* program. Sports are a very big deal in Alabama, and this strategy was designed to reach a broad cross-section of families who might have uninsured children. These efforts were quite extensive, and included the following components:

- *ALL Kids* sponsorship of home games;
- A pre-game tent set up to distribute *ALL Kids* materials and talk with families;
- LED signage in the stadiums promoting the program;
- On-field promotions;
- Extensive sports radio coverage with each school's radio network; and
- Television and radio promotions featuring the head football and basketball coaches.

The program not only engaged in outreach efforts at the collegiate level, but there was also outreach activities at the high school level to bring awareness to students and families across the state. These sports-oriented outreach efforts were perceived to be very successful, reaching many families in a very high profile manner. Other outreach efforts in the program included the use of outdoor billboards, using electronic media outlets, placing advertisements in movie theaters and parenting magazines, radio and television spots. All of these outreach efforts were implemented strategically around the state to reinforce the program's outreach message to enroll uninsured children in Alabama.

Focus Group Findings: Outreach

Parents reported hearing about ALL Kids from a variety of sources, including State and local agencies, friends and family, advertisements, and health care providers.

"I heard it from the Medicaid office…my income was over the limit."

"I heard about ALL Kids through the mail because my children were on Medicaid, and I think when your income changes they start sending you letters and information".

"We were driving…and saw a big billboard that talked about ALL Kids."

"I was a state employee, and they offered [ALL Kids] to us…as an alternative."

Regional Coordinators are the local outreach arm of ADPH, placed in the Southern, Central, and North parts of the state to work closely with harder to reach communities. They provide training resources, attend meetings or events to distribute information about the program, and provide direct support to families and communities to provide help with applying for health coverage. In the Mobile area, for instance, the Regional Coordinators have worked with Asian

fishing communities on the Gulf Coast, as well as the Native American Choctow tribe located north of Mobile, to educate leaders in the community about the *ALL Kids* program, provide them with materials including applications and other promotional materials, and work to "teach the people who reach the people."*ALL Kids* also developed targeted outreach strategies to reach families impacted by the BP crude oil spill, including information about the program in toolkits provided to affected families. Regional Coordinators from the Central and Northern parts of the state also assisted families through Disaster Recovery Centers that opened after the devastating April 2011 tornadoes.

In efforts to save money and decrease enrollment growth for the program the suspension of outreach activities was implemented in December of 2011. With no outreach activities, the program's Regional Coordinators continued to receive request for assistance from both families in the community and partners and providers who were familiar with the program. Regional Coordinators also continued to provide applications and program information as requested. The Regional Coordinators discontinued the distribution of educational awareness items and haltered their attendance at health fairs and various statewide conferences. Despite halting CHIP outreach, the program continues to grow.

The singular outreach effort that continues in Alabama has been the placement of kiosks in health clinics, hospitals, and other sites to promote enrollment in Medicaid and CHIP. In 2010, the Alabama Primary Care Association received a CHIPRA Outreach grant of nearly $1 million, which it has used to design and deploy interactive kiosks that utilize audio and visual assistance to walk families through an electronic enrollment process. The kiosks are also being used to check patients in for visits at Federally Qualified Health Centers (FQHCs), and to collect financial information used to determine the sliding scale fees required of clients visiting health centers. The information clients enter is then synched with their Electronic Health Record.

The kiosks were first rolled out in 2011, and have been used by approximately 400 patients. This likely underestimates the impact, however, since the kiosks are designed to capture a family's information, and one entry may reflect enrollment of several children within a given family. In some cases, such as hospital labor and delivery wards, computers with the same capabilities have been installed. These have gotten more traffic, and are generally used by staff rather than consumers. Each kiosk is custom-made to ensure privacy, security, and durability, and costs $7,000. Though some kiosks are getting more use than others (particularly in rural areas) a general sense was expressed by providers and outreach staff that they are underutilized as whole. Should Alabama choose to pursue a Medicaid expansion under the Affordable Care Act, these kiosks could serve as a useful portal for identifying adults who are newly eligible for coverage, and provide them with an opportunity to walk through the application process.

Alabama finds itself in a challenging position, attempting to cover kids who need health insurance, facilitating enrollment and renewal, making small steps to prepare for implementation of the Affordable Care Act, all while simultaneously facing severe budget realities that threaten the viability of the *ALL Kids* program. By retaining all Regional Coordinator staff, the state has demonstrated continued commitment to reaching hard-to-reach families. It is difficult for ALL Kids to predict the future of outreach at this time, but we already know community partners and other organizations have begun to fill some of the outreach void.

IV. BENEFITS

The ALL Kids benefit package was initially benchmarked to the HMO in Alabama with the largest commercial enrollment, plus several key enhancements to the core package based on expert recommendations. ALL Kids covers regular well-child check-ups, immunizations, doctor visits, prescriptions, dental and vision care, hospital and physician services, and mental health and substance abuse services. From the outset, state officials allowed that a mainstream benefit package may not cover the needs of special populations, and therefore developed ALL Kids Plus, which offered wrap-around benefits for children with severe mental health conditions through the Alabama Department of Mental Health, and for children with special health care needs (CSHCN) through the Department of Rehabilitative Services' (DRS), Division of Children's Rehabilitative Services (CRS) (Hill, et al., 2001).

Since Alabama's benefit package was already quite generous, only a few changes to it came about as a result of the passage of CHIPRA. For instance, Alabama has always included coverage for dental services and had increased the annual maximum for dental care from $1,000 to $1,500 several years ago, as well as added a mechanism for approving overages when necessary. This was acceptable to CMS, and met the CHIPRA requirements for dental coverage. ALL Kids does provide limited orthodontia based on medical necessity, but does not cover cosmetic orthodontia.

To meet the mental health parity requirements mandated by CHIPRA, Alabama removed all limits on inpatient and outpatient mental health and substance abuse benefits. Previously, as mentioned above, mental health services that exceeded the allowable limit within CHIP were covered by the Department of Mental Health under ALL Kids Plus. With the elimination of limits, ADPH asserts that the need for ALL Kids Plus has dwindled considerably. CRS continues to cover services for children with special needs that are not included within the ALL Kids package.

Focus Group Findings: Benefits

Parents were generally satisfied with the ALL Kids benefit package and felt it was comparable to private coverage. However, a few exceptions were noted, including mental health, orthodontia, and name-brand prescriptions.

"[Under ALL Kids] they get a physical every year that's paid for. Whereas, private insurance you get a physical every other year typically, or some private insurance companies don't cover well-child checkups after the age of six."

"There's some medications that don't have a generic…we've had to pay full price."

"I had to get a separate insurance to cover braces."

"Substance abuse treatment [is] not the best because they don't cover but so many visits, so many stays at this residential, so many evaluations a year…it doesn't have a very comprehensive mental health and substance abuse coverage."

Key informants consistently spoke highly of the ALL Kids benefit package, noting that in some cases is it far more comprehensive than what a typical commercial package would offer. The state made no mention of cutting benefits to address impending budget cuts. In fact, in cases where a service is not covered, ALL Kids has an appeals process and has historically been quite generous with making exceptions to benefit limits so that services could be covered. Key informants in all different capacities (providers, enrollment/outreach coordinators, advocates) extolled the virtues of the ALL Kids benefit package noting only the gaps in orthodontia and

non-emergency transportation—which is a particularly relevant issue for Alabama's rural population.

V. SERVICE DELIVERY, ACCESS, AND QUALITY OF CARE

From its inception, *ALL Kids* has worked to ensure that enrollees have broad access to a wide range of providers, and has designed the program to closely resemble a commercial product. In Alabama, the most dominant insurer, by far, is Blue Cross/Blue Shield of Alabama (BCBSAL), covering 85 percent of insured lives in the state. ADPH contracts exclusively with BCBSAL for the *ALL Kids* service delivery network and claims administration, gaining access to a wide network of providers. Alabama Medicaid, on the other hand, utilizes a Primary Care Case Management (PCCM) delivery system that has many fewer participating physicians.

Service Delivery and Payment Arrangements. ADPH pays BCBSAL a per member per month administration fee as well as actual cost of claims paid by BCBS for ALL Kids enrollees. Providers are paid based on the BCBSAL Preferred Provider Fee Schedule, which is the same fee schedule used for all BCBSAL covered individuals. Additionally, providers receive prompt payments from BCBSAL with minimal administrative burden.

These two factors—the inability to distinguish between an *ALL Kids* enrollee and a child with private insurance, plus prompt and reliable payments—are two defining characteristics that distinguish the *ALL Kids* program from Alabama Medicaid from a provider perspective. While *ALL Kids* providers are receiving the negotiated rates paid by BCBSAL, Medicaid providers have seen deep cuts in reimbursement rates in recent months, including a 10 percent mid-year cut in April 2012, which was later rescinded, and regularly experience reimbursement delays. There are certain services for which Medicaid providers in Alabama are paid more than *ALL Kids* providers (for instance, well child visits) but overall, reimbursements for Medicaid are perceived to be low and administratively burdensome, particularly when compared to BCBSAL. Because so many providers in Alabama participate in the BCBSAL network, there is likely some overlap between Medicaid and *ALL Kids* providers, but the number of physicians available to *ALL Kids* enrollees far exceeds the physicians who accept Medicaid.

Focus Group Findings: Access to Care

Parents were mostly satisfied with the primary care, dental and specialty providers serving their children; availability of providers and quality of care were both praised.

"I looked on the list of providers…called…and then I just signed them on up, and that was it."

"We were luckily able to keep the same…dental doctor that we already had [with private insurance]…doctor, dentist, everything we've been able to keep."

"We had to go see the surgeon at Children's…and it was fairly easy to get in and do what we needed to do…I don't know of anybody who doesn't take ALL Kids because it's got that Blue Cross Blue Shield umbrella."

"Foot doctor, leg doctor…dermatologist…everybody takes ALL Kids. No problem."

However, parents had more mixed views about access to developmental providers under ALL Kids.

"My teenagers…wanted to see a psychologist…that was kind of difficult to find."

"We had a counselor for my stepson, and it was no problem."

Access to Care. Access to care for *ALL Kids* was universally described as excellent, noting that because of the BCBSAL network, it is essentially equivalent to having commercial insurance in Alabama. In select cases, finding providers for certain pediatric sub-specialties was

identified as more challenging, particularly in rural areas of the state, but informants note that this is the case for the privately insured as well, and simply reflects a general shortage of certain pediatric specialties in the state. BSBSAL contracts with nearly all of the primary care providers in the state of Alabama, 100 percent of the state's hospitals, more than 95 percent of all physicians, and over 85 percent of dentists. The Medicaid provider network, on the other hand, continues to shrink as payments are cut, and is particularly thin when it comes to specialty care—including dental.

Quality of Care. Alabama has adopted several disease management programs for its *ALL Kids* members. For instance, for children who have been identified as obese, nutrition counseling will be recommended and covered as an added benefit (not traditionally within the *ALL Kids* benefit package). In addition, they have a diabetes initiative and an asthma program for *ALL Kid*s members, as well as a "baby yourself" program to prevent premature births among pregnant moms. BCBSAL and ADPH have monthly meetings to discuss any service delivery issues that arise, update ADPH on utilization trends, and work closely together on case management to identify individuals whose expenditures are particularly high. BCBSAL also collects all required HEDIS measures for ADPH and prepares a series of reports on the quality of care being delivered to *ALL Kids* members.

VI. COST SHARING

As described above, the *ALL Kids* program was designed to resemble private insurance, and as such has always included cost sharing in the form of annual enrollment fees and copayments for higher income groups. In general, cost sharing was mentioned as a positive component of the program by several stakeholders interviewed, contributing to its reputation as an earned benefit, distinguishable from Medicaid.

Annual enrollment fees and copayments were added for lower-income families (100-150 percent FPL), and increased for children above 150 percent FPL in 2004. Today, all enrollees have enrollment fee and copayment responsibilities, with the exception of unique populations excluded from cost sharing, such as Native Americans. There is no cost sharing for children enrolled in Alabama Medicaid, per the federal Medicaid statute.

The copayment and enrollment fee increases implemented in 2004 were fairly substantial, adding a new annual fee of $50 for families with incomes between 100 percent and 150 percent of the FPL, when there was none previously. The fee was doubled—from $50 to $100—for families with higher incomes between 150 percent and 300 percent of the FPL. Annual fees were increased again in June 2012, but raised only to $52 and $104 dollars respectively; per MOE provisions the amount that annual fees can be increased is limited. Despite two rounds of increases, copayments for services remain fairly low, ranging from $1 for generic drugs to $6 for ER services for the lower-income group, and $5 for generic drugs and $60 for ER services for the higher income group. Copayment increases, overall, were more substantial for the higher income group, and in some cases more than doubled. For instance, sick visit copay increased from $5 to $13, and non-generic drug copayments increased from $10 to $28. Both groups are required to pay $200 for inpatient admissions. (See Table IV.1 for more details). Copayments are not imposed on preventive services for any *ALL Kids* enrollees. Ultimately the biggest increases (such as those for inpatient admissions) are for services with low utilization, and therefore *All Kids* expects the impact to be relatively small. ADPH did request a waiver from CMS to increase annual fees and copayments above what is allowable with MOE requirements in an attempt to help offset some of the budget cuts the program is facing, but the request was denied.

Providers are responsible for collecting copayments and retain the money they collect as part of their payment. CHIP legislation requires that total annual cost sharing not exceed 5 percent of family income, and in Alabama,

Focus Group Findings: Cost Sharing

Most parents reported that the premiums and copayments are affordable and reasonable, especially when compared to private insurance, and were satisfied with the premium payment process. Despite a few parents who were worried about increases in premiums and copayments, none felt they posed a barrier to service use or continued enrollment.

"It's not bad compared to [private] insurance."

"They allow you a whole year to pay it…I think that that's fair."

"[My son] fell skating and I had to take him to the emergency room…I was so glad I still had ALL Kids because I had to pay the $15 in the emergency room, whereas with Blue Cross, I don't even know."

"I think it was extremely fair to begin with, so it's fair now [with the increases in premiums and copays]."

"I know it's still at a discount rate. I'm not saying anything because people are getting their assistance, but the math is still not right. Because when you do percentages, $2 and $15 is a whole different ballpark."

"It's not a gradual jump, it's like a big jump…I'm grateful that my children don't get sick very often…maybe once or twice a year I'll just…pay that."

family members are responsible for keeping track of their out-of-pocket costs. Families are given until the end of the year to pay their annual fees, and most families take advantage of this flexibility, according to state officials. One FQHC noted that the copayments are so low that it is not worth the billing effort to collect them.

Few informants felt that annual fees or copayments were overly burdensome for families, but some did express concern that they can pose a barrier for some. All agreed that they were certainly far more affordable than copayments and premiums in private coverage, and offer families peace of mind—knowing that their children have coverage. Furthermore, as noted above, requiring (even small) payments appears to distinguish the program from Medicaid, which more often viewed as a "hand out" according to key informants, compared with *ALL Kids.*

Table IV.1. Cost Sharing in Alabama's *ALL Kids* Programs

Program	Income Level	Premium/Child/Year	Copayments
ALL Kids (low fee group)	101-150% FPL	$52/child, family max $156/year	$200 inpatient admission, $6 ER services, non-emergency ER services, $3 doctor visit non-preventive care, $1 generic drug, $5 preferred drug
ALL Kids (fee group)	151-300% FPL	$104/child, family max $312/year	$200 inpatient admission, $60 ER services and non-emergency ER services, $13 doctor visit non-preventive care, $5 generic drug, $28 preferred drug
Medicaid (*SOBRA Medicaid)*	<133% of the FPL: ages 0-5 <100% of the FPL: ages 6-18	$0	$0

Source: Alabama Department of Public Health. ALL Kids Children's Health Insurance Program: Premiums and Copays. Available at: http://www.adph.org/allkids/index.asp?id=5811.

VII. CROWD OUT

While few in Alabama were concerned that crowd out is a pervasive problem for *ALL Kids*, the state does have several provisions in place to discourage the practice of dropping private insurance to sign up for public coverage. *ALL Kids* has, since its inception, imposed a three-month waiting period during which a child must be uninsured before being able to qualify for *ALL Kids*, with four exemptions. Children are not subject to the waiting period if they lose coverage due to:

1. Their parents' involuntary loss of group coverage;
2. Termination of an individual coverage policy;
3. Termination of a COBRA policy; or
4. Exhaustion of benefits in a group plan.

In addition, all new applicants are cross-checked against the BCBSAL membership database (which again includes 85 percent of insured individuals in the state), to find folks who currently have private coverage. Among those identified through this cross-check, however, many are still eligible for coverage by virtue of meeting the criteria of the first exemption due to job loss.

Few stakeholders interviewed for this case study regard crowd out to be a significant problem in Alabama. There is widespread agreement that few families will risk going without coverage for even three months to qualify for *ALL Kids*, and instead are seeking coverage because they truly need it.

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VIII. FINANCING

With the passage of CHIPRA, federal funding for the program was extended through 2013, offering states funding stability after several years of uncertainty. The Affordable Care Act then extended that funding for two more years, through 2015. CHIPRA also set new total annual allotments for the program and revised the formula for calculating state specific allotment amounts. This new method for determining state allotments was designed to more accurately account for individual states' actual and projected spending, adjusting for inflation and child population growth, rather than focusing on each state's share of uninsured/uninsured low-income children, as was previously the case. Drafters of the rule changes believe that it will lead to more appropriate distribution of CHIP funds at the beginning of each year and avoid the need for massive re-allocations of funds from states unable to spend their allotment at the end of each year, a practice that was common under the old allotment formula.

During the early years of the program, *ALL Kids* received larger allotments than it could spend, but funding did not keep up with growing costs, fueled by the program's enrollment growth, and in 2004 the state froze enrollment for a 10-month period, from October 2003 to August of 2004 (Hill et al., 2007), in order to cut costs. With the passage of CHIPRA and implementation of the new formula, however, Alabama's CHIP allotment increased substantially, nearly doubling from 2008 to 2009 (see Table VIII.1) from just over $72 million to over $140 million. The state's share of funding for the program has remained fairly consistent, around 21 percent, since the program's inception, which makes Alabama's state share very low compared to most states.

With a significant state budget crisis in Alabama and a lack of political will to raise revenue through taxes, however, state funding for the *ALL Kids* program has recently come under threat. Medicaid was initially handed a 30 percent budget reduction for FY 2013 in addition to a 10 percent budget reduction mid-FY 2012, resulting in a reduction in provider payments. More draconian cuts were ultimately averted in September when voters supported moving monies from the Alabama Trust Fund to the general fund to cover some of these shortfalls.

As noted above, Alabama implemented an enrollment freeze for *ALL Kids* in 2004 to deal with earlier budget constraints, but with the Affordable Care Act maintenance of effort requirements, imposing a freeze is no longer an option. Instead, ADPH has increased copayments and premiums to the extent allowable and eliminated all outreach efforts, but has also needed to consider more drastic changes to the program to reduce state obligations, which will be discussed in greater detail below.

Table VIII.1. CHIP Allotments and Expenditures (in millions of dollars)

FFY	Federal Allotment	Federal Expenditures	Federal Matching Rate
2006	$64.2	$87.4	78.66
2007	$74.3	$95.2	78.20
2008	$72.3	$108.8	77.33
2009	$140.3	$116.4	77.59
2010	$147.2	$128.4	77.61
2011	$135.5	$144.6	77.98
2012	$141.4	$156.7	78.03

Sources: 2005—2008 allotment data: Georgetown University Health Policy Institute, Center for Children and Families, 2009. *Original SCHIP Allotment by State, 1998-2008.* Available at: http://ccf.georgetown.edu/index/cms-filesystem-action?file=statistics/historic%20schip%20allotments.pdf; 2009—2012 allotment data: Georgetown University Health Policy Institute, Center for Children and Families, 2012. *FY 2009 - FY 2012 CHIP Allotments, in Millions, by State*. Available at: http://ccf.georgetown.edu/index/cms-filesystem-action?file=statistics/chipra allotments.pdf

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IX. PREPARATION FOR HEALTH CARE REFORM

Alabama has a complicated relationship with the Affordable Care Act, which one informant described as "compartmentalized." On the one hand, Governor Bentley has endorsed the concept of a Health Insurance Exchange, establishing an Office of Health Insurance Exchange, and declaring that it would have been a "paramount priority" for his administration even if the Affordable Care Act had not been passed.[5] Alabama has noted that the state wants to retain control over their Exchange, and plans to "push the envelope" without defying Federal requirements. Ultimately, however, enabling legislation for the Exchange was not acted upon during the last legislative session, signaling that political commitments remain elusive. Many remarked that the legislature was reluctant to act and was instead awaiting the Supreme Court decision before taking decisive action. Alabama was party to the multi-state lawsuit opposing the Affordable Care Act.

The state has sought available federal funding to support IT development for the Exchange as well as improvements to the Medicaid eligibility system. An RFP for the Medicaid eligibility system upgrade was awarded, and then subsequently pulled when the state was unwilling to front the $5 million needed for the state share of the project, even with a 90/10 federal/state match. This exemplifies the deep budget predicament Alabama is facing, as well as the intense political unpopularity of Alabama Medicaid. In turn, the state was willing to turn its back on a large federal grant for modernizing the state's eligibility and enrollment system out of resistance to spend state monies.

Though the lack of Federal funding for a new eligibility system was a big disappointment for Medicaid, a decision was recently made that ADPH staff would build the new eligibility system for CHIP and Medicaid, using lessons learned from the existing CHIP system. This plan capitalized on ADPH's experience in CHIP while retaining the money in State's coffers rather than paying an outside consultant, as was originally planned.

Focus Group Findings: Health Reform

Many parents had heard about health care reform, particularly the Affordable Care Act's provisions stating that insurers could no longer deny coverage due to pre-existing conditions, and that children could remain dependents on their parents' insurance up to age 26.

"I like the fact that older children can be covered for a longer period of time."

"One of the things that caught my attention during the health reform was…making plans more inclusive so that individuals that have pre-existing conditions…[don't] have to go through a waiting period before they could start receiving care."

"I think the plan as a whole is a wonderful plan…I think we do need to have something to help us as a whole…I just feel like there's other ways that maybe we could go about paying for it."

The aforementioned budget crunch has been felt acutely by both *ALL Kids* and Alabama Medicaid. In mid-2012, Medicaid was handed a 10 percent budget reduction by the legislature, and at the time of our site visit, *ALL Kids* was facing a $10 million budget shortfall for State FY 2013. To cope with this looming crisis, the *ALL Kids* program was entertaining several fairly drastic options, including severing its traditional relationship with the BCBSAL service delivery network and utilizing the

[5] Alabama Executive Order 17. June 2, 2011.

Alabama Medicaid provider network instead, and therefore paying out much lower Medicaid rates. Many fear that such a shift would significantly alter the program, moving kids from a delivery system that is essentially equivalent to private insurance, to the overburdened, underpaid Medicaid PCCM network. In an attempt to avoid such a dramatic change to the program, ADPH requested permission from CMS to implement an enrollment cap, but the proposal was rejected citing violation of MOE requirements. Further, ADPH attempted to raise premiums and copayments above what was allowable under the Affordable Care Act, but again, this proposal was rejected by CMS.

ADPH also approached BCBSAL to discuss the possibility of paying their doctors lower rates for treating *ALL Kids* enrollees, but the company said it would be unable to do this, as they negotiate rates with their providers for their entire book of business. BCBSAL did, however, ultimately agree that ADPH could try to negotiate directly with providers on this matter, and BCBSAL would administer the changes in fee schedule for those encounters. ADPH discussed with provider organizations over the summer of 2012, a 20 percent reduction in reimbursement rates for *ALL Kids*, with the provision that no reimbursement go below Medicaid rates. And in cases where Medicaid actually paid more than *ALL Kids*, no reductions would be made. To date, these reductions have not been put in place.

The state is also considering other cuts, including a 5 percent co-insurance responsibility for certain services, including physical, occupational, and speech therapy, and durable medical equipment, to name a few. Alabama, like other states, has also considered shifting older children in families with income below 133 percent of the FPL to Medicaid in advance of the 2014 Affordable Care Act deadline.

X. CONCLUSIONS AND LESSONS LEARNED

Alabama's *ALL Kids* program has been overwhelmingly successful in a state that has had a mixed history when it comes to providing services for vulnerable populations. The vision to model *ALL Kids* after private insurance, make it a "mainstream" product, and utilize the largest service delivery network in the state has proven to be a key element of the program's success, contributing to its popularity with providers, consumers, and politicians. In addition, ADPH has worked tirelessly to streamline the *ALL Kids* enrollment and renewal processes, pleasing consumers and child advocates, among others. Other recent accomplishments, including expansion of the program to 300 percent of the FPL, and opening it up to children of public employees has contributed to the program's growth over time.

Focus Group Findings: Lessons Learned

Parents were unanimous in their appreciation of having coverage for their children under ALL Kids.

"It is peace of mind."

"It's high up there with education, a great quality of life for your children."

"Reduces stress, gives you peace of mind."

"It's a comfort in knowing that if your child is sick…you can for an affordable price take your children to see the doctor and get them treated."

With the exception of an enrollment freeze in 2004, *ALL Kids* has for the most part remained insulated from threats to curtail the program. This most recent budget environment, however, has been less kind to the program, threatening a $10 million budget shortfall for FY 2013, and requiring severe changes to overcome that shortfall. That said, CHIP's burden remains less than that being imposed on Medicaid, its less politically popular counterpart. Medicaid was initially handed a 30 percent budget reduction for FY 2013; a draconian cut that was ultimately averted in the September 2012 referendum when voters supported moving monies from the state's educational trust fund to the general fund to cover some of these shortfalls.

Regardless of the outcome of the current budget uncertainly, stakeholders were unanimous in stating that the many valuable lessons learned from *ALL Kids* regarding how to reach, enroll, and care for children in Alabama ought to be retained, and used to inform efforts in the future.

- ***Providing access to high quality care akin to the privately insured builds confidence and tremendous appreciation among the families of children enrolled***. The ALL Kids benefits package was described as extremely comprehensive, and in some cases better than private insurance, providing families with "peace of mind" about their children's healthcare. Furthermore, leveraging the state's dominant service delivery network by utilizing BCBSAL has proven invaluable to families who—with this card in hand—gain easy access to most providers in the state and experience the system as the privately insured would. Moreover, utilizing BCBSAL to administer the program has proven beneficial to the state. BCBSAL assists with billing, monitoring, and implementing quality improvement programs aimed at improving the health of enrolled kids while containing unnecessary expenditures.
- ***Simplified and streamlined enrollment and eligibility policies work***. Families of children enrolled in ALL Kids remarked at the ease of enrolling in the program, and staying enrolled, which has undoubtedly had a hand in the continued growth in the program. Furthermore, the efforts that Alabama Medicaid and ALL Kids have made

to facilitate the sharing of data have contributed to the ease of shifting kids from one program to the other as their eligibility status changes. If Alabama chooses to implement a Medicaid expansion under the Affordable Care Act, lessons from both agencies could be useful in shaping new eligibility and enrollment policies.

- ***Savvy outreach has long lasting impacts***. Another contributing factor to continued growth of the ALL Kids program has been ADPH's thoughtful outreach and marketing campaigns. The state capitalized upon an opportunity to leverage an extremely popular pastime in Alabama—athletics—which has had long lasting effects, beyond the duration of these outreach efforts. In fact, this has worked so well that even when the ALL Kids program ceased its outreach efforts, enrollment continued to grow, with no sign of recognition abating any time soon.
- ***Premiums and copayments do not pose barriers to enrollment or service utilization for many consumers.*** Alabama's CHIP program has modest annual enrollment fees and copayments, which have increased just twice in the history of the program, though the first increases were fairly substantial. Despite even the lowest income families being required to pay annual enrollment fees and co-payments, consumers did not express major concerns about the cost-sharing requirements, noting that while they are not inconsequential, they are certainly much more affordable than those imposed by private insurance. Furthermore, these requirements seem to bring to the program a sense of earned benefit shared by enrollees and politicians alike.

Table X.1. Alabama's Compliance with Key Mandatory and Optional CHIPRA Provisions

Provision	Implemented in Alabama?
Mandatory CHIPRA provisions	
Mental health parity required for States that include mental health or substance abuse services in their CHIP plans by October 1, 2009	Yes
Requires States to include dental services in CHIP plans	Yes
Medicaid citizenship and identity documentation requirements applied to Title XXI, effective January 1, 2010	Yes
30-day grace period before cancellation of coverage	Yes
Apply Medicaid prospective payment system to reimburse FQHCs and RHCs effective October 1, 2009	Yes
Optional CHIPRA provisions	
Option to provide dental-only supplemental coverage for children who otherwise qualify for a State's CHIP program but who have other health insurance without dental benefits	No
Option to cover legal immigrant children and pregnant women in their first 5 years in the United States in Medicaid and CHIP	No
Bonus payments for those implementing five of eight simplifications	Yes; no asset test, no in-person interview, joint application with Medicaid, continuous eligibility, auto/administrative renewal
Contingency funds for States exceeding CHIP allotments due to increased enrollment of low-income children	No

Table X.1 (*Continued*)

Provision	Implemented in Alabama?
$100 million in outreach funding	Two grantees have received CHIPRA outreach funds
Quality initiatives, including development of quality measures and a quality demonstration grant program	In the Federal FY 2010 CARTS report, 14 voluntary quality performance measures were reported

FQHC = Federally qualified health center; RHC = rural health clinic.

Alabama has worked hard to extend health coverage to low-income families, and has created a program that has been popular with politicians, providers, and consumers. Key to that popularity has been the state's decision to utilize the BCBSAL service delivery network. Perhaps due to the reputation *ALL Kids* has developed over the years, the program continues to grow despite a moratorium on all state-funded outreach at the end of 2011.

Faced with severe budget cuts in the upcoming year, ADPH has been forced to consider abandoning use of the BCBSAL network in favor of the less costly Medicaid provider network, a shift that would undermine many of the program's virtues. In turn, the *ALL Kids* leadership has considered thoroughly the implications of these potential changes to the program, and worked hard to develop creative solutions that would allow the program to retain its service delivery network – the cornerstone of *ALL Kids'* success.

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APPENDIX A

SITE VISITORS AND KEY INFORMANTS

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Alabama Site Visit

Urban Institute
Sarah Benatar
Ian Hill
Fiona Adams

Key Informants: Montgomery

Alabama Department of Public Health
Cathy Caldwell
Chris Sellers
Keith Wright
Viki Bryant
Gloria Boyd
TeelaCarmack
Dr. Williamson
Michele Jones
Nora Powell
Gloria McMeans
Janelle Zeigler

Alabama Medicaid Agency
Lee Rawlinson
Gretel Felton

Office of the Governor
Margaret Whatley

Department of Mental Health
Kim Hammack

Alabama Primary Health Care Association
Mary Finch
Sunny Chance

Blue Cross Blue Shield
Regina Dean
Lynn Williams

Primary Healthcare FQHC
Bianca Granger
George Waldrop

Family Guidance Center
Walter White

Alabama Arise
Jim Carnes

Key Informants: Mobile

ALL Kids
Jamie Manning
Ashley Peyer

Mobile County Health Department
Dr. Bert Eichold
Susan Stiegler

Children's Rehabilitation Services
Bobbie Jo Trammell

United Leadership Mobile
Sandra Forbus

Providence Hospital
Cathy Whelton

APPENDIX B

ALABAMA STATE APPLICATION

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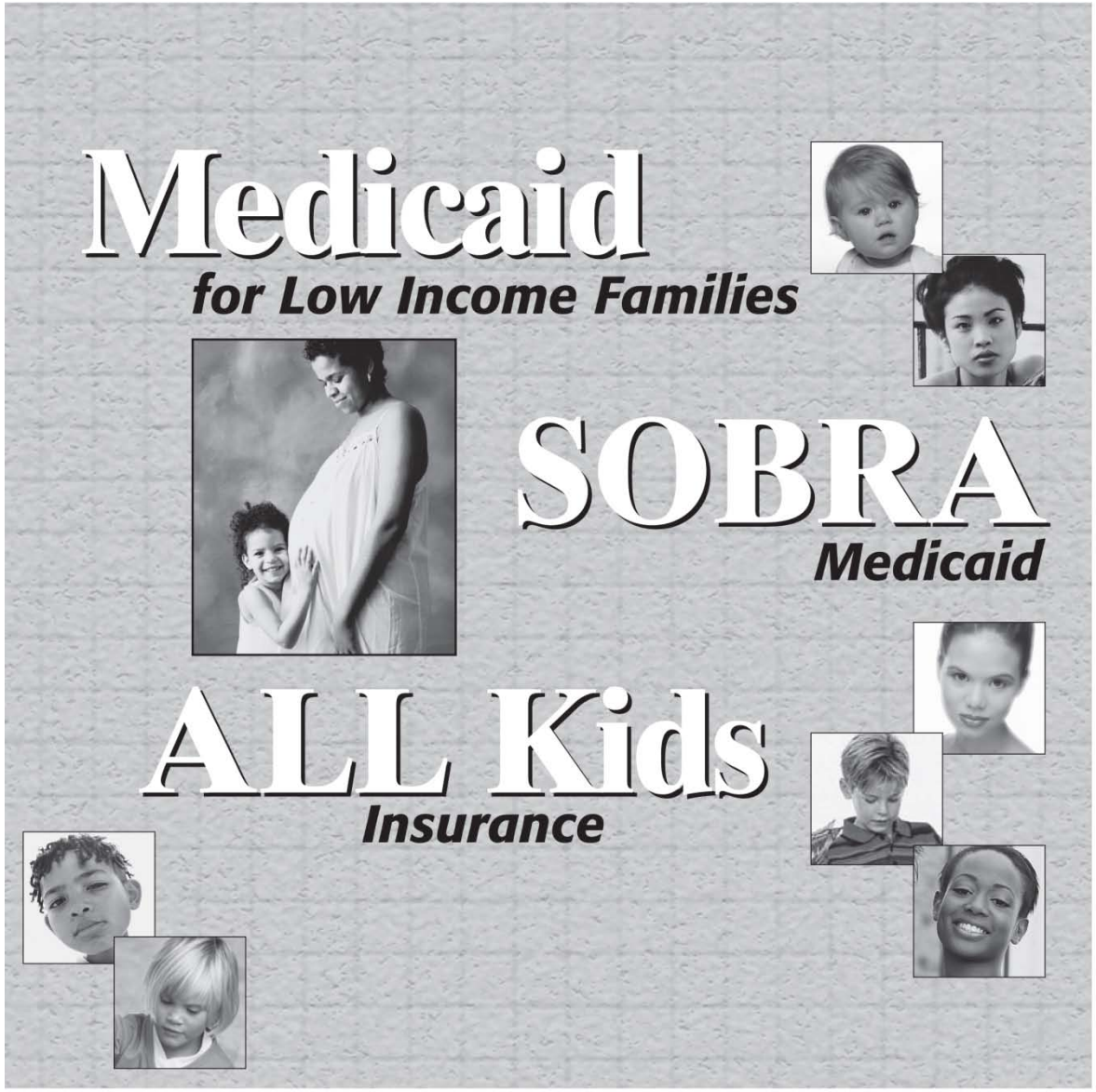

THIS IS YOUR APPLICATION

for free or low cost health care coverage.

These programs cover low income families with children, pregnant women, children under age 19, and females ages 19-55 for family planning/birth control service only.

Your income and family information will be the deciding factors as to which of the programs you may qualify for.

You may also apply on-line:
www.insurealabama.org

Si necesita una solicitud en español, llame gratis a ALL Kids al teléfono **1-888-373-KIDS (5437)** o a la oficina de Medicaid en Alabama al teléfono **1-800-362-1504**.

Form 291 (Revised 10/20/2010)

Please print clearly using dark ink. Please fill out all information in each section. Page 1

Do you have Medicaid in another state? Yes ☐ No ☐ If yes, you must terminate your Medicaid in that state before you can be on Medicaid in Alabama.

1. Applicant. This is the Parent, Caretaker, OR Pregnant Woman. (Children will be listed on Page 2.)

First Name of Applicant Middle/Maiden Last	Social Security Number of Applicant
Mailing Address	Home Phone: ( ) Other Phone ( ) Whose?
Street Address (911 Address) County where you live	Work Phone ( ) May we call you at work? Yes ☐ No ☐
City, State, Zip Code	Cell Phone: ( ) E-mail:
Marital Status: Married ☐ Divorced ☐ Separated ☐ Single ☐ Widowed ☐	What language do you usually speak? English ☐ Spanish ☐ Other ☐_____ Do you or a family member speak English? Yes ☐ No ☐

2. Pregnant Woman. (Please provide a statement from a doctor or an authorized clinic proving you are pregnant and the expected date your baby is due.)

Name	Date Baby is Due	Number of Babies in This Pregnancy

3. Paid or Unpaid Medical Bills. Did anyone applying have medical expenses (doctor bills, lab work, etc.) in the last 3 months? Yes ☐ No ☐

Name of Patient?	When was Care Received?	Name of Patient?	When was Care Received?

4. Health Insurance. Does anyone living in the household already have health insurance? (Such as Blue Cross, ALL Kids, Medicaid, Alabama Child Caring Program, TriCare, Champus, Medicare, other.) Yes ☐ No ☐ If yes, we need a copy of your insurance card(s), front and back.

Policyholder's Name	Insured Person's Name	Insurance Company	Policy #	Group #	Effective Date
Circle what this policy covers: Dental Doctor Visits Drugs Family Planning Hospital Maternity Other **Is it a Managed Care or HMO?** Yes ☐ No ☐					
Policyholder's Name	Insured Person's Name	Insurance Company	Policy #	Group #	Effective Date
Circle what this policy covers: Dental Doctor Visits Drugs Family Planning Hospital Maternity Other **Is it a Managed Care or HMO?** Yes ☐ No ☐					

Has any health insurance **ended within the last 3 months?** Yes ☐ No ☐ If yes, who _____ Why_____

Will any health insurance end in the next 2 months? Yes ☐ No ☐ If yes, who _____ End date:_____

Please explain why this insurance will end._____

Is anyone in the household a state or public school employee? Yes ☐ No ☐ If Yes, who: _____

5. Females Age 19 - 55 May be Eligible for Family Planning (Birth Control) Services. (NOTE: You will not be eligible for this program if you have had your tubes tied, been sterilized, or are on Medicare.) Do You Want to Apply for or Continue to Receive Family Planning? Yes ☐ No ☐

ALL Kids Date Rec'd _____	Medicaid Date Rec'd _____	Plan First Date Rec'd _____
Date Accepted_____	Date Accepted_____	Date Accepted_____

6. Do You Receive Family Assistance From DHR? Yes ☐ No ☐ Do You Get Food Stamps? Yes ☐ No ☐ Case Number _____

7. Are You or Anyone in Your Household Interested in Information About Getting Free Food From the WIC Program? Yes ☐ No ☐

8. Household Members.

On Line A, list parent, caretaker, or pregnant woman from Item 1. on page 1.

On Line B, list the spouse of the person on Line A

On Lines C - H, list all the children who are under 19 years of age that you take care of and who live in your home.

NOTE: List the name of the child as it appears on their birth certificate.

NOTE: If there is a legal parent to the child(ren) listed, who lives in the home, **please include that parent in this section.**

	** First Name	Middle or Maiden	Last Name(s)	Social Security Number (required for those seeking assistance)	Relationship to person on line A. Son/ Daughter (C) Grandchild (I) Husband (H) Wife (W) Parent (P) Brother/ Sister (S) Niece/ Nephew (N) Cousin (E) Other (O)	Are you a U. S. Citizen? Yes or No (Citizens must provide proof of citizenship and identity for Medicaid. See Citizenship and Identity Handout.) (Noncitizens may still receive services.)	Date of Birth	Age	Sex	Race Black (B) White (W) Asian (A) Hispanic (H) American Indian/ Native Alaskan (I) Native Hawaiian/ Pacific Islander (NP) Other (O) Not Known (U)
A					**Self**					
B					**Spouse**					
C										
D										
E										
F										
G										
H										

** If your name is Fulana de Tal Vista Hermosa enter your name like this: **First Name** as Fulana, **Middle** or **Maiden Name** as deTal, and **Last Name(s)** as Vista-Hermosa.

If you have more family members in your home, please attach an additional sheet of paper listing those family members and the above information for them (SS#, DOB, etc.)

9. Stepparents. Is there a stepparent living in the home? Yes ☐ No ☐

If yes, _____ is a Stepparent to _____
Name of Stepparent — Name of Child(ren)

_____ is a Stepparent to _____
Name of Stepparent — Name of Child(ren)

10. If Your Household Has No Income, Check Here _____.

11. Work Income For You and Your Household. For Medicaid eligibility, attach proof of gross wages. (This means work income before anything is taken out, such as taxes, retirement, Medicare premiums, garnishments, etc.). You may send check stubs or a signed statement from employer for the most recent month.
NOTE: Remember to include any overtime pay.
Only the income from a legal parent of a child you are applying for will be considered.

Name of Person Working	Number of Hours Worked Each Week	Hourly Pay Rate	Day of Week Paid	How Often Paid? Weekly Every two weeks Twice a month Other (specify)	Gross Amount Paid (Before anything is taken out) Include Tips and Overtime	Name of the Person or Company that You Work for, as well as the Address and Phone Number

Are You Self-employed? Yes ☐ No ☐ If self-employed, you must attach a copy of your most recent Income Tax Return and Schedule C.

Do You Receive Income From Farming? Yes ☐ No ☐ You must attach a copy of your most recent Income Tax Return and Schedule F.

12. Day Care. If you are working, does anyone in your household pay for care of a child or an incapacitated adult living in the home? Yes ☐ No ☐

Name of Person Who Pays	Amount Paid?	How Often Paid?	Name and Age of Person(s) in Care

13. Other Income. For Medicaid eligibility, attach proof of income such as a benefits award letter, a copy of the check, or a statement from the Income Source. Tell us if you or any family members receive other income from the types listed below. For child support, list the child's name as the person who gets the payment.

1. Social Security (include Medicare prem.)
2. SSI (Gold Check)
3. Public Assistance (Welfare)
4. Railroad Retirement
5. Veterans Benefits, Pensions, Compensation or Insurance
6. Federal Civil Service Annuity
7. State Retirement/Pension
8. Private Pension
9. Miner's Benefits
10. Black Lung Benefits
11. Cash Contributions (from relatives, others)
12. Rental Income (land, buildings or from roomer)
13. Personal Loans (from relatives, others)
14. Unemployment Compensation
15. Insurance Annuity or Proceeds
16. Government Payments on Land
17. Coal, Oil, Gravel Rights & Timber Leases
18. Royalties
19. Child Support
20. Interest on Savings
21. Other: Specify _____
22. Other: Specify_____
23. Legal Settlements
24. Sheltered Workshop Earnings
25. Lump Sums
26. Dividends
27. School Grants or Loans

Name of Person Receiving the Payments	What Type (From Above)	Gross Amount (before anything is taken out)	How Often are Payments Received?

For ALL Kids Use Only					
Screen ck	All Kids ck	MCD ck	LF/NF ck	Fee pd ck	Date wk

For Medicaid Use Only

ID# _____ ID# _____ ID# _____ ID# _____

Alabama Medicaid Agency/Alabama Department of Public Health eligibility policies and procedures are in compliance with Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Federal Age Discrimination Act of 1975, and Americans With Disabilities Act of 1990.

This page is for Medicaid for Low Income Families (MLIF) only.

If you do not wish to apply for MLIF for yourself, leave this page blank.

Medicaid for Low Income Families (MLIF) is for families with very low income. MLIF will allow an adult to be included in Medicaid, however, information regarding absent parents is required for this program. If you want to apply for MLIF for yourself, you must give us the absent parent information below to allow Medicaid to send a medical support referral to the Child Support Enforcement Unit of the Department of Human Resources (DHR).

If you are applying for MLIF and there is a child in your home whose parent(s) are not living in the home, you must complete the information below about each parent not living in the home, unless you can provide Medicaid with a good reason. A good reason may be that the child was conceived through rape or incest, or that cooperating or providing information would result in harm or injury to you, your family or your child(ren). If you do not want to apply for MLIF or do not want to complete the absent parent information or cooperate with the Child Support Unit, your child(ren) may still be eligible for Medicaid.

Will you cooperate with the Child Support Unit for medical support enforcement? Yes ☐ No ☐
If you feel you have a good reason not to cooperate, check here _____.

Does the adult or adults living in the home wish to apply for MLIF? Yes ☐ No ☐

For MLIF only, fill out as much information as you have for each child that has one or both parents not living in the home.

Name of child who has an absent parent _____				
Name of the absent parent	Social Security Number	Date of Birth	Sex Male ☐ Female ☐	Race
Address	Reason for not living in the household			
Have you already applied for medical support for this child? Yes ☐ No ☐	Has paternity been established for this child? Yes ☐ No ☐			

Name of child who has an absent parent _____				
Name of the absent parent	Social Security Number	Date of Birth	Sex Male ☐ Female ☐	Race
Address	Reason for not living in the household			
Have you already applied for medical support for this child? Yes ☐ No ☐	Has paternity been established for this child? Yes ☐ No ☐			

Name of child who has an absent parent ______________________________

Name of the absent parent	Social Security Number	Date of Birth	Sex Male ☐ Female ☐	Race

Address	Reason for not living in the household
Have you already applied for medical support for this child? Yes ☐ No ☐	Has paternity been established for this child? Yes ☐ No ☐

Name of child who has an absent parent ______________________________

Name of the absent parent	Social Security Number	Date of Birth	Sex Male ☐ Female ☐	Race

Address	Reason for not living in the household
Have you already applied for medical support for this child? Yes ☐ No ☐	Has paternity been established for this child? Yes ☐ No ☐

Name of child who has an absent parent ______________________________

Name of the absent parent	Social Security Number	Date of Birth	Sex Male ☐ Female ☐	Race

Address	Reason for not living in the household
Have you already applied for medical support for this child? Yes ☐ No ☐	Has paternity been established for this child? Yes ☐ No ☐

Name of child who has an absent parent ______________________________

Name of the absent parent	Social Security Number	Date of Birth	Sex Male ☐ Female ☐	Race

Address	Reason for not living in the household
Have you already applied for medical support for this child? Yes ☐ No ☐	Has paternity been established for this child? Yes ☐ No ☐

If you need more room, please attach additional sheets.

RELEASE OF INFORMATION

* I hereby authorize and give my consent for the Alabama Medicaid Agency and the Alabama Department of Public Health to obtain information from any source for the purpose of determining my eligibility for the Medicaid or ALL Kids program. I authorize this release form to be in effect for as long as I am on Medicaid or ALL Kids regardless of the date that it is signed. I further authorize copies of this document to be used in place of the original. I give my consent for the release of information for those purposes directly related to the administration of the Medicaid or ALL Kids program. These purposes include, but are not limited to, establishing eligibility for benefits, determination of the amount of medical assistance received, the provision of services, and investigation of program violations.

I UNDERSTAND AND AGREE

* This application is only for ALL Kids, Medicaid for pregnant women, Medicaid for females ages 19-55 (for family planning/birth control services only), Medicaid for children under age 19, and Medicaid for Low Income Families (MLIF) with children.
* I give permission to the Alabama Medicaid Agency and the Alabama Department of Public Health to use my social security number and the social security numbers of persons on whose behalf I am applying to get information about anyone's income from banks, financial institutions, employers, and other county, state and federal agencies, and/or to see if anyone qualifies for assistance or to see if anyone has insurance.
* To be eligible for MLIF, I must cooperate in establishing paternity and getting medical support, unless I provide Medicaid with good reason not to cooperate.
* If I am approved for either Medicaid or ALL Kids, I assign all insurance and medical support benefits to the program I am enrolled in. If Medicaid or ALL Kids pays my bills, then my insurance or other benefits (such as lawsuit settlements) must be used to pay Medicaid or ALL Kids back. I agree to help and cooperate with Medicaid or All Kids in identifying and collecting this money, or I may lose my Medicaid or ALL Kids benefits. I give permission for my insurance company, employer, and others to give needed information to Medicaid or ALL Kids in order to administer the Medicaid or ALL Kids program.
* I (and my spouse) must apply for any benefits (such as unemployment compensation) that we may be entitled to in order for me, my spouse, or my family members to become eligible for Medicaid.
* I agree to let the above named agencies know, at annual renewal, if anything in my household changes. However, if I am on MLIF, I must report any changes within ten (10) days. (The kinds of changes to report are: someone moves into or out of my home, my address changes, I/we get or lose insurance, or someone's income changes.)
* If I am approved, I agree to cooperate if I am reviewed by State and/or Federal Quality Control.
* I understand that medical information acquired in the administration of the Medicaid or ALL Kids programs is subject to health oversight activities, and that such information may be disclosed for program oversight purposes to the State of Alabama (or those engaged as its business associates) without the need for individual consent by me or my family members, as allowed by HIPAA privacy regulations.

SIGN HERE:

I affirm under penalty of perjury that all information entered on this application is true, to the best of my knowledge, including the identity of all persons listed on this application. I also understand that I may be asked to provide additional proof, as needed. If I knowingly entered any false statements or left out information asked for on this application, such as income or household members, I commit a crime that is punishable under Federal and/or State law.

Signature of applicant	Date	Signature of Spouse	Date

NOTE: If you are applying for Family Planning Services for your spouse, who is a female aged 19-55, she must sign on "Signature of Spouse" line.

Signature of person helping to fill out this form	Relationship to applicant	Date

Name of interviewer helping to fill out this form	Date	**I certify that I have completed the initial interview**

You may mail this application to any one of the programs you are applying for. Mail to:

ALL Kids Program
P.O. Box 304839
Montgomery, AL 36130-4839
1-888-373-KIDS (5437) Toll free

Alabama Medicaid Agency (SOBRA, MLIF)
P.O. Box 5624
Montgomery, AL 36103-5624
1-800-362-1504 Toll free

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