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Thousands more children uninsured

CHIP enrollment falls as stricter renewal rules and new fees kick in

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AUSTIN - Enrollment in the Children's Health Insurance Program has plunged this year to 295,000, the lowest since 2001 when the program was in its infancy, health officials said Tuesday.

The current enrollment figure is based on a drop of 15,000 children covered during February as stricter renewal rules and new enrollment fees kicked in, said Texas Health and Human Services Commission spokeswoman Stephanie Goodman.

CHIP is a state and federally funded health insurance program for children who are not poor enough to qualify for Medicaid but whose families aren't affluent enough for private health insurance.

A family of four would qualify for the program if it earned between \$19,350 and \$38,700 annually.

Advocates for children estimate that of Texas' 1.4 million uninsured children, half qualify for either Medicaid or CHIP but are not enrolled in the programs.

CHIP enrollment has dropped each month since December, the first full month since the state transferred a CHIP call-center contract to Texas Access Alliance, a consortium led by the giant private outsourcing firm Accenture.

Managers of health plans offering the coverage characterize the CHIP declines as troubling, adding that state officials are updating them weekly on the trend.

If the downward spiral continues, they worry, it could jeopardize the viability of the plans.

"We think there's some kind of disconnect right now between the implementation (of new rules) and the actual effect," said Jared Wolfe, executive director of the Texas Association of Health Plans. "I can tell you my members are concerned. I think there is an element of confusion."

Until this week, the Health and Human Services Commission had not released its CHIP enrollment numbers since December when 323,000 children were enrolled.

The latest enrollment figure reflects 28,000 fewer children in the program since Dec. 1, an 8.7 percent decline.

Goodman said she has no explanation for the decline before the new rules went into effect, although part of it could be attributed to staffing shortages as the old contractor was winding down.

The March 1 numbers for new children added and children dropped during six-month renewals reflect the impact of the policy changes, Goodman said.

While 24,000 new children were enrolled in CHIP during the past month, she said, another 39,000 left for the following reasons:

- 20 percent lived in families with incomes dropping low enough to qualify for Medicaid health insurance.
- 10 percent were in families whose incomes rose too high for either Medicaid or CHIP.
- 18 percent had families who failed to pay new enrollment fees, ranging from \$25 to \$50 every six months.
- 22 percent were in families who failed to turn in a renewal packet.
- 27 percent came from families who turned in renewal packets with missing information.

An estimated 70 percent of all families up for renewal lost coverage, Goodman said.

"Clearly from these statistics, they are submitting an application, but they are not submitting the proper documentation," said Jan Scott, director of government programs at Texas Children's Health Plan. "They are bringing in new enrollments. However, there's such a large termination."

Texas Children's Health Plan, which handles 56 percent of CHIP coverage for six counties including Harris, saw 3,200 children — about 6 percent — drop off its plan from January to February, said Chris Born, president of the plan.

"Very, very early in this conversion to Texas Access Alliance (headed by Accenture) we noticed a pretty significant drop in our CHIP membership," Born said. "My understanding is there's a full corrective action plan to correct what's going on that began in January."

Born said the state commission has been in frequent contact with the plans and is asking in individual cases that plans take back children with significant health problems who have been dropped under the new system.

"That's unbelievable, and that's just Texas Children's. That's huge," said Barbara Best, Texas executive director of Children's Defense Fund. "This is not a good start."

Best said the enrollment declines are especially troubling because community outreach to families needing health insurance for their children has been greater than ever.

Best and other social services organizations across Texas also said they've heard hundreds of complaints from families who report that they applied to CHIP but never heard back.

"I'm definitely hearing that. We're hearing that from all over the state, not just in the Houston area," said Anne Dunkelberg, health-policy analyst at the Center for Public Policy Priorities and co-chair of the Texas CHIP Coalition.

Daniella Jammer, a corrections worker in Houston, said her children lost Medicaid last year when her overtime pay disqualified them from the program. The Health and Human Services Commission said that Jammer's family also had earned too much to qualify for CHIP at that time.

In the next six months, however, Jammer said she applied twice more for CHIP but that no one ever contacted her about the applications.

"I thought it was something I did wrong," said the mother of two sons, Tyrell, 11, and Tarik, 9.

"I was upset," she added, noting she's worried she'll run out of medicine for Tyrell's asthma. "If I need something now, it has to come out of my pocket, and I don't have the money right now. It's just been kind of nerve-wracking."

Late last week, Jammer called Best at Children's Defense Fund of Texas, finding the organization's number on a sheet her children brought home from school.

Best and Jammer said they placed a call to the number for CHIP applicants. The woman on the other end of the line, Best said, told Jammer she had no record of the applications and no record of her children. The woman suggested that Jammer put in another application.

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