



Annual Report October 1, 2001 to October 1, 2002

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The AHCCCS Administration provides this Annual KidsCare Report to the Governor, President of the Senate, Speaker of the House of Representatives, Secretary of State, and the Director of the Department of Library Archives and Public Records under A.R.S. 36-2983 and A.R.S. 36-2996.

Introduction

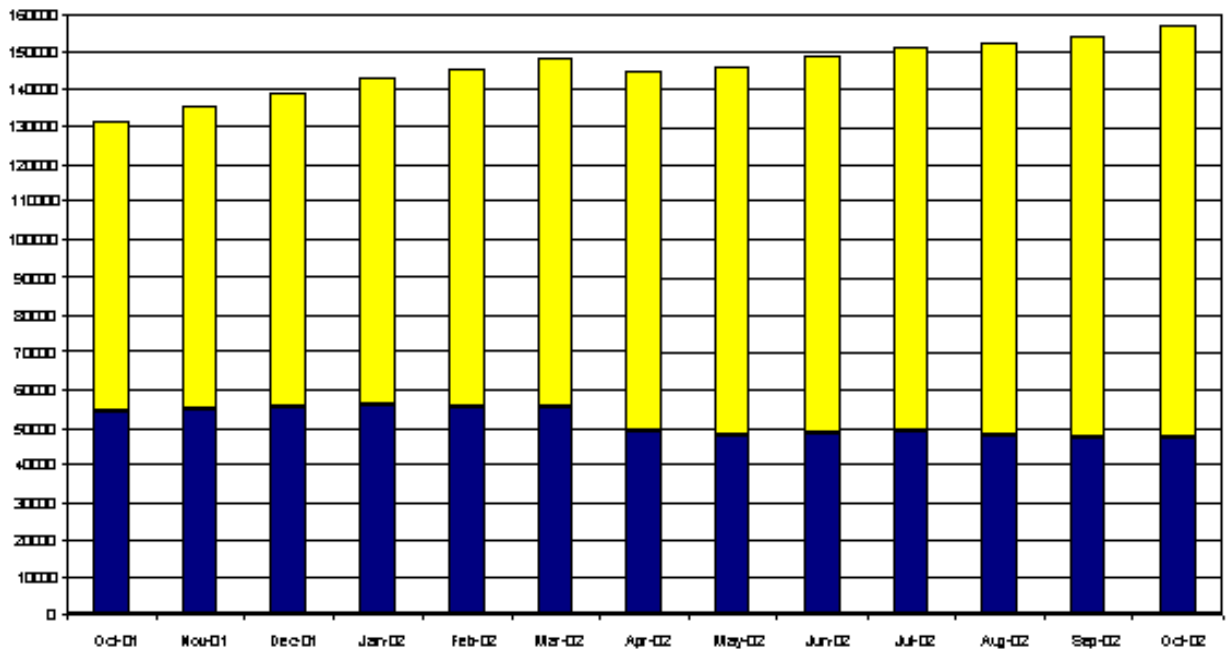
KidsCare, Arizona's State Children's Health Insurance Program (SCHIP), began on November 1, 1998. Many uninsured children have benefited from this program. The purpose of this report is to describe the following elements for FFY2002:

- Population
- Budget
- Program and key health goals
- Seriously and chronically ill children
- Outreach achievements
- Coordination and innovation
- Future projects and developments

KidsCare: Population

As of October 1, 2002, KidsCare has enabled a total of 156,998 children, who were previously uninsured, to gain access to health insurance. Of this number, 109,456 (69%) have been found eligible for Medicaid rather than KidsCare. The following chart illustrates the total number of children approved for health insurance because of KidsCare applications.

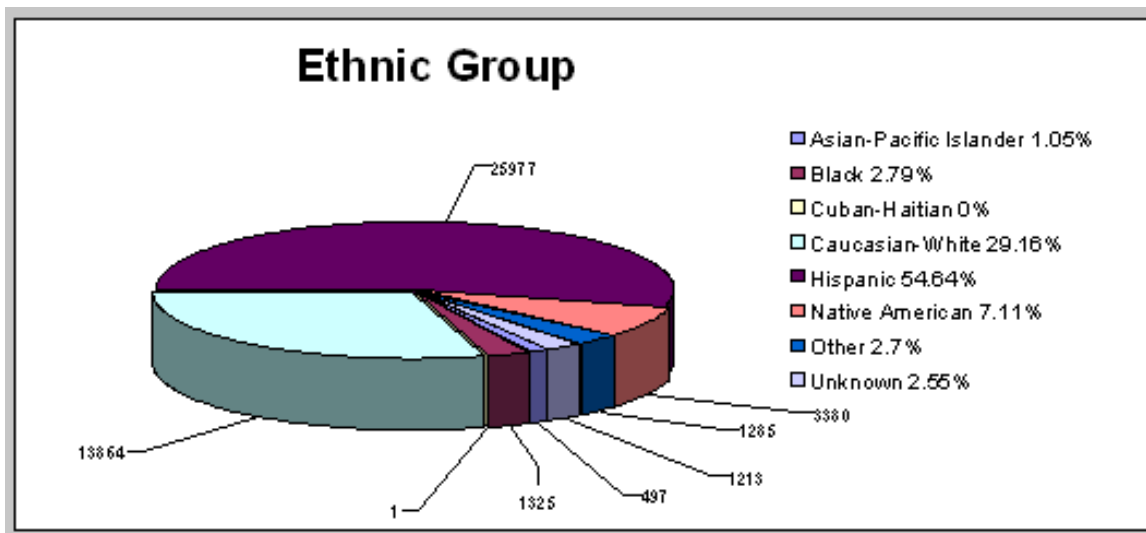
Chart 1



	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02
Total	13100	13397	13901	14396	14555	14800	14505	14638	15010	15422	15672	15972	16100
Medicaid from KidsCare Applications	7475	7937	8404	8729	9025	9299	9626	9816	10151	10653	10945	11230	11358
KidsCare Only	5625	5460	5497	5667	5530	5501	4879	4822	4859	4769	4727	4742	4742

The following chart shows the ethnicity of KidsCare children as reported by the applicants.

Chart 2



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KidsCare: Budget

State and Fiscal Expenditures

State Fiscal Year 2000	State Fiscal Year 2001	State Fiscal Year 2002	State Fiscal Year 2003 (Projected)
\$35,595,392.	\$59,638,017.	\$140,831,608	\$151,909,430.

Based on current enrollment numbers, federal funding percentages are sufficient to fund the program for the upcoming year.

Premiums Implemented

On October 1, 1999, KidsCare implemented premiums for families with an income above 150% of the Federal Poverty Level (FPL). The 2002 premium amounts are represented in the following chart:

Chart 3

PREMIUM AMOUNTS

Federal Poverty Levels (FPL)	1st Child	More than 1 Child
Above 150% - 175.00%	\$10.00	\$15.00 Total
Above 175% - 200.00%	\$15.00	\$20.00 Total

As of October 1, 2002, there were 12,979 households with 22,652 enrolled children required to pay a premium. These children represent 47.6% percent of the children enrolled in KidsCare. From 10/1/01 through 9/30/02, premium collection payments totaled \$2,071,755, of which 75.49% was returned to CMS

KidsCare: Program and Key Public Health Goals

KidsCare provides a mechanism under which more children are covered for immunizations and other primary and preventive health services. AHCCCS and its contracted health plans (contractors) have implemented interventions to improve access to primary and preventive health care services by children and adolescents, as well as monitor progress toward goals. These goals are designed to ensure progress toward national "Healthy People" objectives for the years 2000 and 2010 and, when applicable, Arizona Department of Health Services goals.

The rates presented here should be viewed as indicators of access to services, rather than absolute rates for how successfully AHCCCS or its contractors provide care to KidsCare members. Many factors affect whether members use services. However, by analyzing trends over time, AHCCCS and its contractors can identify areas for improvement and implement interventions. The resulting rates for immunizations and access to Primary Care Practitioners (PCPs) are based on a selected group of members, who were continuously enrolled with an acute-care Contractor during the reporting year, rather than the entire population.

Preventive Care: Immunization & Well-Child Care

• Immunizations

AHCCCS and its Contractors are working to achieve state and national public health goals to increase the proportion of children who are fully immunized by age two. This is the second year of reporting immunization rates for children enrolled in AHCCCS under KidsCare. Immunization rates for KidsCare children were nearly identical to the immunization rates of children enrolled in AHCCCS under Medicaid, as seen in the table below. In fact, rates for KidsCare members were slightly higher than rates for Medicaid children in six of the eight antigen categories.

COMPARISON OF KIDSCARE AND MEDICAID IMMUNIZATION RATES

Immunizations (doses)	DTaP (4)	IPV (3)	MMR (1)	HIB (2)	HBV (3)	VZV (1)	4:3:1 Series	4:3:1:2:3 Series
KidsCare	82.5%	89.3%	90.2%	83.0%	79.9%	79.9%	80.1%	67.0%
Medicaid	81.0%	87.7%	89.7%	83.8%	80.8%	77.1%	78.1%	65.1%

KidsCare rates for two immunization series (4:3:1 and 4:3:1:2:3), were two percentage points higher than rates for Medicaid-eligible children. AHCCCS Minimum Performance Standards were achieved for four antigens: diphtheria-tetanus-acellular pertussis (DTaP), inactivated poliovirus vaccine (IPV), measles-mumps-rubella (MMR) and varicella zoster virus (VZV), as well as both antigen series. The AHCCCS Goal for MMR vaccination was met.

As seen in the following summary of KidsCare immunization rates, improvement was made in all but one antigen, the DTaP vaccine, compared with the previous year.

IMMUNIZATION SUMMARY (KidsCare-eligible Children)

CONTRACT YEAR	DTaP (4)	IPV (3)	MMR (1)	HIB (2)	HBV (3)	VZV (1)	4:3:1 Series	4:3:1:2:3 Series
2000	82.6%	87.4%	87.0%	81.2%	75.4%	72.7%	78.5%	62.1%
2001	82.5%	89.3%	90.2%	83.0%	79.9%	79.9%	80.1%	67.0%

The most recent rate of MMR vaccination meets the national Healthy People and Arizona goal of 90 percent of children immunized. Rates for DTaP, Polio and Hib vaccination are nearing the 90 percent benchmark.

Immunization rates by county or geographic area of the state were not reported because samples for KidsCare members were not large enough in all counties to be statistically significant.

• Access to Care: Primary Care Practitioners (PCPs)

AHCCCS collected a rate of children's access to PCPs (family or general practitioner, pediatrician, internist, obstetrician/gynecologist, physician's assistant or nurse practitioner) for KidsCare members separately from children enrolled under Medicaid. The rate for children enrolled through KidsCare who had at least one visit to a PCP was 68.5 percent during the contract year ending September 30, 2001. The rate is an improvement of 5.1 percent over the previous year's rate of 63.4 percent. The increase is statistically significant. The AHCCCS Minimum Performance Standard for access to PCPs is currently 77 percent. The AHCCCS Goal is currently 80 percent.

The highest rate of access to PCPs among KidsCare members was in Pima County, at 71.4 percent, compared with 67.0 percent in the previous year. The combined rate for Arizona's 13 rural counties was 68.9 percent, compared with 62.6 percent in the previous year. The rate for Maricopa County was 67.3 percent, compared with 62.3 percent in the previous period.

During contract year 2001, children eligible under KidsCare made strides in catching up with Medicaid-eligible children in rates for access to PCPs.

PCP VISITS BY AGE GROUP, MEDICAID COMPARED WITH KIDSCARE

Age Group	Medicaid Average CY 2001	KidsCare Average CY 2001	Percentage Difference CY 2001	Percentage Difference CY 2001 Previous Year
1	95.6	87.8	- 7.8	- 8.3
2-6	83.0	80.4	- 2.6	- 7.0
7-11	64.4	66.0	+ 1.6	- 2.9
12 and up	67.2	64.5	- 2.7	- 7.9

In addition to the above indicators, AHCCCS monitors use of screening and dental services by all children enrolled in

KidsCare during the contract year, regardless of how long they were eligible during that time.

- **Well-child Visits**

Children enrolled in AHCCCS through KidsCare receive Early and Periodic Screening, Diagnosis and Treatment (EPSDT) services. Screenings detect possible physical, nutritional and developmental/behavioral health problems in order to minimize long-term, costly medical conditions. For the contract year ending September 30, 2001, 58 percent of all children enrolled in AHCCCS through KidsCare received at least one screening. Of those children screened, approximately 40 percent were referred for corrective treatment. (Source: Form 416 EPSDT Participation Report)

- **Oral Health Care**

All children enrolled in AHCCCS should receive an oral health screening by their PCP as part of their routine well-care visits. Beginning at age 3, children are to be referred to a dentist for an annual visit, regardless of whether or not problems are identified by their PCPs. These members also have direct access to dentists. The rate of KidsCare members 3 through 18 years old, who had a dental visit during the year ending September 30, 2001, was 36.4 percent. This compares with 34 percent in the previous year. (Source: Form 416 EPSDT Participation Report)

The rate of annual dental visits by KidsCare members for the year ending Sept. 30, 2001, will be available in April 2002.

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Seriously and Chronically Ill Children

Beginning October 1, 2001, KidsCare was permitted to enroll seriously and chronically ill children whose families voluntarily terminated health insurance within the three months preceding the enrollment date. During the following 12 months, nine seriously ill and 33 chronically ill children were enrolled under this provision.

Educational Interventions

AHCCCS

Community Interventions

 In the beginning of 2002, the KidsCare Administration had four Regional Outreach Coordinators and a manager to direct statewide outreach activities. Together these coordinators developed an outreach plan which included:

- Supporting and collaborating with the community based organizations on outreach events and in setting up community coalitions,
- Training and education,
- Creating uniform outreach training materials,
- Developing a business packet to target the small business and minority business companies, and
- Working with schools.

The Outreach Coordinators worked closely with coalitions in their communities. These coalitions include grantees, contractors, community organizations and community volunteers. They also supported the promotional events for KidsCare. They regularly attended immunization, health fair and other community events.

The outreach focus changed in the beginning of 2002 because of Arizona's serious budget deficits. The outreach coordinators began directing requests for event participation to community based organizations. The Outreach Coordinators' primary focus changed to training and education. They were also utilized to support the KidsCare office in various functions.

The AHCCCS Community Relations Administrator (CRA) has the responsibility of conducting statewide education. The CRA has also developed a network consisting of community based and other state/county/municipal agencies to assist in maximizing

educational efforts. The CRA has also arranged for training of many community based organizations and other groups on KidsCare and the AHCCCS Application for Health Insurance (includes KidsCare program) so that they can, in turn, provide assistance to their clients and communities.

Due to budget constraints, AHCCCS ended its contracts with seven Community Based Organizations. The seven organizations were effective in submitting a total of 6,992 applications, which led to 1,071 children becoming eligible.

Contractor Interventions



AHCCCS strives to decrease the barriers members may experience in accessing services by requiring contractors and contracted providers to make every effort to educate new or current members about covered services. Contractors and providers use a variety of mechanisms to communicate this information and facilitate the delivery of services, such as: member handbooks, member newsletters, reminder postcards to members' parents, telephone calls and, if necessary, home visits. Lists of members due or overdue for preventive visits or services also are sent to members' Primary Care Providers (PCPs). Contractors participate in community health fairs and make available information about their services. They also network with community organizations such as Women, Infants and Children (WIC) offices, Head Start programs, perinatal outreach programs and churches. Other partnerships with state health initiatives include Healthy People 2010, Arizona Community Action Association, Arizona Community Councils, Community Action Planning Grantees, and Health Subcommittee of the Collaboration for a New Century.

Recent legislative changes to KidsCare will facilitate eligibility for more children and allow them to receive Health Risk Assessments commonly known as Early and Periodic Screening, Diagnosis and Treatment (EPSDT) services. These changes also include behavioral health benefits and availability of transportation to medically necessary services. The contractors have implemented a variety of outreach and tracking mechanisms to ensure that all members, including those covered under KidsCare, receive necessary medical and support services. For example:

- Many contractors assist parents with first time appointments. Using the AHCCCS EPSDT Periodicity Schedule, contractors send postcard reminders or letters to parents of children who are due for periodic exams. If a visit does not occur (by proof of claims resolution data or encounter submission), then a second reminder usually is sent. Contractors have various processes for following up on children who still do not have an exam. One plan refers the case to a Coordination of Care Committee, which utilizes a multidisciplinary approach to develop a plan of care with specific goals. Another contractor's EPSDT/Immunization Coordinator will send reminder postcards, call if there is no response to the postcard, or visit the member's home in order to assist with getting the member in for care.
- One contractor has developed a "Reach Out To Children Program (ROTC)" program that identifies, on a quarterly basis, members who have not had a dental visit in the last year. Participating dentists receive a copy of the list of members residing within their service area. The dentist will contact the member directly to schedule appointments. Dental reminder post cards are sent to the member as well.
- Another unique process this same contractor created to increase EPSDT participation was hosting a "Well Child Express Day," where providers are available for parents to bring their children in for screenings on a Saturday, in order to make access to care more convenient. The contractor works with a doctor's office or clinic to provide the services. It then coordinates a fun, health-fair event and publicizes it to its members in the area.
- Several contractors have developed incentive programs to encourage members to get well-child visits, dental exams or immunizations. Upon receiving proof of completing the visit from their providers, contractors will send families gift certificates for groceries or general merchandise and also may enter them in a drawing for a quarterly prize giveaway.
- AHCCCS's Cultural Competency Policy requires that all contractors and providers must describe and monitor how care and services will be delivered in a culturally competent manner. Parents and members who do not speak English must be provided with translation services.

Community Organizations



Children's Action Alliance (CAA)

CAA received \$1.2 million from the Robert Wood Johnson Foundation under the Covering Kids and Families project. They now have contracts with five local projects, including El Rio Community Health Center, Phoenix Day School Health Links project, the Yuma County Health Department, Healthy Arizona and Lake Powell Medical Center. The overall goal of the project is to reduce the number of children and adults without health insurance. Specifically, they are focused on outreach to the community, simplification of the application and enrollment system and coordination between contractors. These projects are ongoing.

Flinn Foundation

Through a grant from the Flinn Foundation, Dr. Jennie Jacobs Kronenfeld, a researcher at Arizona State University (ASU), was charged with assessing ten outreach programs funded through grants from Children's Action Alliance, St. Luke's Charitable Trust, and the Flinn Foundation. The evaluation report, covering the funded outreach projects, will be completed by the end of 2002. While it is too early to assess final results of the outreach efforts, these grants are allowing community-based organizations the capacity to provide outreach to families of uninsured children.

In addition to the evaluation grant to ASU, the Foundation has awarded KidsCare outreach grants totaling \$130,825 to Children's Action Alliance in Phoenix, Interfaith Cooperative Ministries in Phoenix, North Country Community Health Center, Inc. in Flagstaff, Phoenix Day Child and Family Learning Center, Pinal County Division of Public Health in Coolidge, and Yavapai Big Brothers Big Sisters in Prescott. These organizations provide:

- Information and education on KidsCare eligibility and enrollment through employer-based activities;
- Direct assistance to families in the application process;
- Follow-up activities to assure that all eligibility and enrollment processes are completed;
- Evaluation and assessment of community-based outreach projects (ASU).

In accordance with Foundation policy, grants were time-limited and not subject to renewal.

St. Luke's Health Initiatives

The KidsConnect initiative was a three-year program that began in the spring of 1999. The initiative granted a total of \$840,213 to Maricopa County East Valley Boys & Girls Clubs, Lake Powell Medical Center which also covers Page and Chapter Houses on the Navajo Reservation, Patagonia School Districts in Patagonia and Santa Cruz County, Phoenix Children's Hospital & Native American Community Health Center, Pima Prevention in Tucson, Scottsdale Prevention Institute, and Valley Interfaith Project for central and western Phoenix.

The goal was to increase the number of children enrolled in Medicaid and KidsCare in order to foster a consistent source of health care. This initiative worked through seven community-based organizations to:

- Identify children not receiving health care who were eligible for but not enrolled in AHCCCS or KidsCare;
- Assist parents with the application and re-enrollment processes;
- Ensure that the child received health care.

There were a number of lessons learned through these funded outreach efforts. Specifically, there was recognition that many clients need personal assistance. It was often found that the parents of KidsCare children did not know how to use insurance or the primary health care system. The funding for these projects ended in 2002.

Native American

From the inception of the KidsCare program, the majority of Native American children were enrolled through the efforts of the Native American Community Health Center and the Phoenix Children's Hospital, through a grant from St. Luke's Charitable Trust, that targeted the state's metropolitan areas. The Indian Health Service (IHS) and tribally operated facilities, however, targeted most Native American communities located in reservation areas statewide.

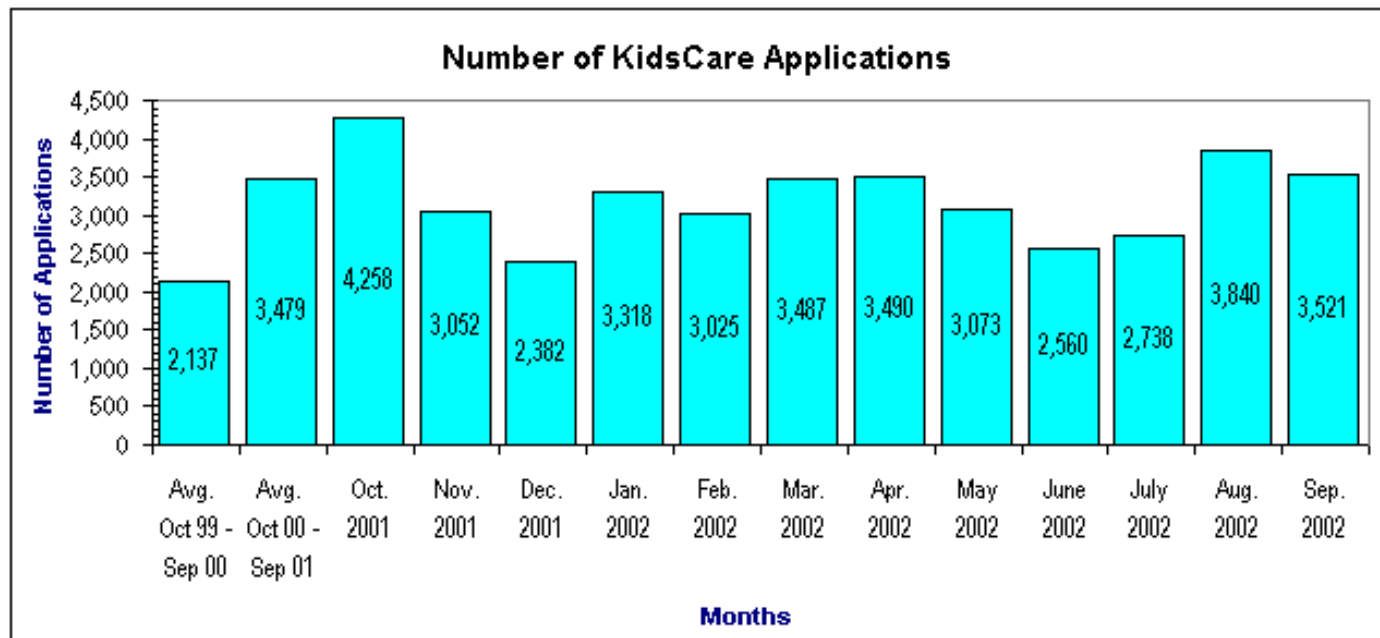
IHS and tribal facilities continue their efforts in screening and assisting families with the completion of KidsCare applications. It is important to note that given the high rates of poverty and unemployment in Native American communities, most Native American children have qualified for AHCCCS (Medicaid), through the KidsCare application process. Current enrollment figures show a substantial increase in the number of Native American children enrolled in AHCCCS eligibility categories.

The Indian Health Service (IHS) is mandated to explore alternate health care resources for Native Americans and within the last year designated full time positions to assisting families in accessing potential benefits, including KidsCare and AHCCCS. These IHS Benefit Coordinators follow up with families by: conducting home visits, assisting potential applicants with verification of income documents, and provide families with a general understanding of KidsCare and AHCCCS program requirements.

Although Native American families receive a one-to-one contact when initially applying for KidsCare, most families still need application assistance when completing annual review applications. Currently, IHS Benefit Coordinators lack a tracking system to know when families' KidsCare cases are due for annual redetermination. However, with the implementation of a web-based member inquiry at the end of this year, IHS and tribal providers may be able to implement tracking mechanisms to assist families in assuring continued KidsCare eligibility by complying with KidsCare annual reviews.

Chart 4: Number of KidsCare Applications

Chart 4 represents the 38,744 applications received from October 2001 to October 2002. The chart below indicates the increase in number of applications illustrating the continuing success of these and numerous other outreach efforts by community based organizations and AHCCCS. This number does not include the conversions from state programs or the conversions from Medicaid when children become ineligible due to excess income. During the same time period, the KidsCare hotline received 86,003 calls.



Coordination and Intervention

AHCCCS Contracted Health Plans (contractors)

Contractors participate in community health fairs and make available information about their services. They also network with community organizations such as Women, Infants and Children (WIC) offices, Head Start programs, perinatal outreach programs and churches. AHCCCS and its contractors participate in local and statewide partnership activities that remove barriers to services and raise public awareness about the importance of preventive health care. These include The Arizona Partnership for Immunization (TAPI), the Arizona Early Intervention Program (AZEIP), the Governor's Advisory Council on Head Start Collaboration and the Arizona Oral Health Task Force.

Contractors also have increased their use of the Arizona State Immunization Information System (ASIIIS), the state's automated immunization registry, to check whether members' vaccinations are completed. Since most childhood vaccinations should be received by 2 years of age, the contractors' maternal and child health staff check members' immunization status at 18 months and contact families of those children who do not have complete shot records. If vaccinations are still needed, they offer to arrange for appointments and transportation to doctors' offices. AHCCCS also facilitates coordination between contractors and the Vaccines for Children Program administered by the Arizona Department of Health Services to ensure that members receive immunizations.

Partnership with Department of Education

AHCCCS and the Department of Education (DOE) partnered to notify families of the KidsCare program through the Child Nutrition Program. School districts that participate in the Child Nutrition program were sent a letter, and a KidsCare flier asking that these be sent home with the students with the reduced lunch application. Families completed the simple form, answering three self-screening questions, and returned it to the school if their child was uninsured, and they wanted an application mailed to them. The schools then submitted the flier to the KidsCare office for follow-up. Upon receipt of the flier, AHCCCS staff enters the request for an application into a database; mails an application, a thank you letter with instructions about the required verification, and a postage paid return envelope to the client. For FFY 2002, AHCCCS received 9,677 of these flyers requesting KidsCare applications.

Electronic Application

AHCCCS, in partnership with the Department of Economic Security and the Community Health Centers Collaborative Venture, has developed a fully automated web-based electronic application called Health-e-Arizona. This application was piloted beginning June 17, 2002 by El Rio Health Center in Tucson. The project is going well and will soon be rolled out to other sites in Arizona. From June 17, 2002 to September 30, 2002 this system has routed 1488 applicants for application processing for medical services. The application has been programmed to screen for potential eligibility in our AHCCCS programs and refers each applicant either to DES, KidsCare or CSU. We plan to have this project rolled out to all Federally Qualified Health Centers by October 1, 2003.

New Community Partnerships Established

- Arizona Homeless Youth Health Coalition
- Yuma County KidsCare Coalition
- Tucson Volunteer Center
- Friendly Access Committee
- Homebase Youth Services (homeless teens)
- Grandparents Raising Grandchildren
- Arizona Academy of Pediatrics
- Senior Foundation for Living
- Scottsdale Prevention Institute
- Healthy Childcare Arizona of Central Arizona
- Friendly House
- Health Cares
- Arizona School Nurses Association
- White Mountain Apache Tribe

Brochure

KidsCare began using a newly developed brochure in October 2001, which gives the client two options to obtain an application. The brochure offers the option to call for an application or to send in an attached postage paid postcard to request an application. The KidsCare toll-free number on the brochure is also part of the new logo. From January 2002 through September 2002, 1402 post cards were received requesting KidsCare applications as a result of this brochure. The KidsCare hotline has received 23,804 requests for applications from October 2001 through September 2002. Many of these requests are a result of the toll free number listed on the brochure, however they are also from other sources such as the national Insure Kids Now promotional activities and the KidsCare flier distributed by the Department of Education.

AHCCCS

Clearly, current budget constraints have required AHCCCS to be creative on outreach and education strategies and capabilities. As a result, the key concepts utilized during this time period are collaboration and mobilization on the part of the AHCCCS CRA and community partners.

We continued to collaborate with many of the same groups as listed in last year's report:

- Department of Health Services
- Department of Economic Security
- Department of Education
- Children's Action Alliance
- Flinn Foundation
- St. Luke's Health Initiative
- City of Phoenix
- Healthy People 2010
- Arizona Community Action Association
- Arizona Community Council
- Community Action Planning Grantees
- Health Subcommittee of the Collaboration for a New Century
- Border Fronterizas Project

- Arizona Border Health Commission
- Western Arizona Health Education Center Promotora Project
- Arizona Ecumenical Council
- Catholic Diocese of Phoenix
- Southwest Human Development Center
- Concilio Latino de Salud
- African-American Health Committee
- Inter-agency Farmworkers Coalition
- Department of Juvenile Corrections.

In the future, the CRA's office will have an area on the AHCCCS website where various forms of information will be posted for advocates and community organizations. Information to be posted includes:

- Information packets for new programs, i.e. HIFA
- Comprehensive listing of AHCCCS publications
- Generated documents
- Guides
- Manuals
- Reports
- Community newsletters
- AHCCCS program overview\
- Community education calendar

AHCCCS Future Projects and Developments

- Continue to expand our work with small businesses. In conjunction with St. Luke's Health Initiative, we are developing a packet for small businesses.
- Continue to develop partnerships with various interfaith groups. We have provided training in completing applications, and promoted increased involvement in communities to promote KidsCare.
- Continue to work with the Arizona Department of Juvenile Corrections (ADJC) to submit applications on incarcerated juveniles during their release processing so that medical and behavioral health services are available the day they leave the facility.
- Expand the use of the self-screening flier and community partners so that their clients can be screened on a consistent basis.
- Partner with businesses, physicians' offices, dental offices, hospitals, and any other sites that will display posters, and brochures.
- Work with the Child Care Agency and HUD to explore methods that can reach the clientele within their agencies.
- Work with libraries asking them to display posters and brochures and adding that the Internet can be used to obtain an application.
- Work with the Native American community in their chapter houses and at swap meets to promote enrollment and to communicate the benefits of being on KidsCare.
- AHCCCS is reviewing its Performance Indicators for health care services provided to members, to determine which measures can be used to further evaluate access to services by KidsCare members.

The AHCCCS KidsCare Administration, in partnership with contractors, foundations and many community organizations, continues to make a difference. The KidsCare Administration continues to partner with the community in education efforts. AHCCCS continues to research best practices on an ongoing basis and receives input from the community regarding more effective strategies in enrolling Arizona's children in KidsCare.