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CHILDREN'S HEALTH INSURANCE

Recent data on health insurance coverage reveals important gains for many Los Angeles County children over the past six years. Findings from the most recent Los Angeles County Health Survey (LACHS) indicate that, in 2002–2003, 90% of the county's children (those less than 18 years of age) had health insurance coverage, up from an estimated 81% in 1997 and 85% in 1999.¹ Fifty-two percent were covered by private health insurance (employer-based and privately purchased), 28% by Medi-Cal, and 9% by Healthy Families. However, an estimated 276,000 children (10.3% of all children) remained uninsured. In addition, some of the proposed actions to address the state's current fiscal crisis threaten to reverse the recent gains in insurance coverage by restricting access to public insurance programs.

Lack of adequate health insurance has been identified as the single most important barrier to children receiving needed health care services.² Compared to children with insurance, those who are uninsured are more likely to lack a regular source of care and to receive fewer immunizations and other well child care services.^{3,4} These services include ongoing assessment of the child's growth and development, and guidance for parents on important health issues such as nutrition and injury prevention. In addition, uninsured

children are more likely to rely on emergency rooms for routine health care and to go without needed medical services for acute and chronic health conditions such as ear infections and asthma.⁵

TABLE
1

Percentage of Children (0 to 17 Years Old) Without Health Insurance, 2002–2003

County	Percent	95% CI	Estimated #
Los Angeles	10.3%	9.3–11.3	276,000
Gender			
Male	9.7%	8.4–11.1	133,000
Female	11.0%	9.5–12.5	143,000
Age Group			
0 to 5	5.8%	4.5–7.1	49,000
6 to 17	12.4%	11.1–13.7	227,000
Race/Ethnicity			
Latino	14.0%	12.5–15.4	219,000
White	3.7%	2.4–5.1	21,000
African-American	*3.1%	1.3–4.8	8,000
Asian/Pacific Islander	10.2%	6.8–13.5	28,000

*Estimate should be viewed with caution because of the small sample size.

1. Information about health insurance coverage is based on self-reported data. Methods for collecting these data have changed in recent years. A study by the U.S. Census Bureau in 2000 found that the reported number of uninsured Americans dropped by 8% when a "verification" question was added for those who initially responded that they were without coverage. Prior Los Angeles County Health Surveys (1997 and 1999–2000) did not include this verification and therefore likely overestimated the population of uninsured. The 2002–03 estimates are lower than prior years, reflecting both real changes in coverage levels, particularly for children, but also better methods for assessing health insurance coverage. The 1997 and 1999–2000 insurance coverage estimates presented in this report were adjusted for the change in methodology and, therefore, differ from estimates presented in earlier LA Health briefs.

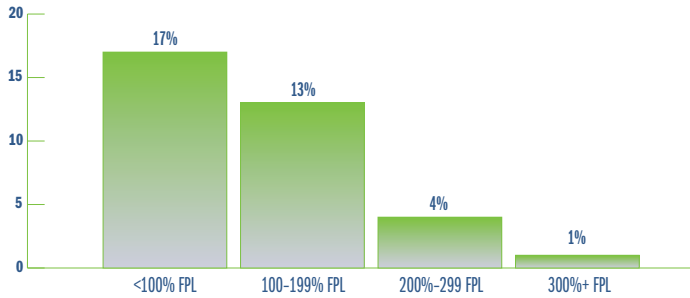
2. Institute of Medicine. *America's Children: Health Insurance and Access to Care*. Washington DC: National Academy Press, 1998.

3. Newacheck PW, Stoddard JJ, Hughes DC, Pearl M. Health insurance and access to primary care for children. *N Engl J Med* 1998;338:513–519.

4. Mustin HD, Holt VI, Connell FA. Adequacy of well-child care and immunizations in US infants born in 1988. *JAMA* 1994;272:1111–1115.

5. Stoddard JJ, St. Peter RF, Newacheck PW. Health insurance and ambulatory care for children. *N Engl J Med* 1994;330:1421–1425.

FIGURE 1 Percentage of Children (0 to 17 Years Old) Without Health Insurance by Federal Poverty Level (FPL)⁶, 2002–2003



Disparities in Coverage

Large disparities in insurance coverage persist among children in the county. The percentage uninsured in 2002–2003 was higher among children aged 6 to 17 years (12%) than those five years of age and younger (6%) (Table 1). The percentage uninsured was also higher among Latino (14%) and Asian/Pacific Islander (10%) children than among White (4%) and African-American (3%) children. In addition, insurance coverage was inversely related to household income. Seventeen percent of children living in households with incomes below the federal poverty level⁶ (FPL) were uninsured compared to only 1% among those living in households with incomes above 300% of the FPL (Figure 1). The percentage of children uninsured was highest in the South Service Planning Area (SPA) (18%) and lowest in the West (7%) and San Gabriel (7%) SPAs (Table 2).

TABLE 2 Percent Of Children (0-17 Years Old) Without Health Insurance by Service Planning Area (SPA), 2002–2003

County	Percent	95% CI	Estimated #
Los Angeles	10.3%	9.3–11.3	276,000
Service Planning Area			
Antelope Valley	8.3%	4.5–12.1	9,000
San Fernando	8.3%	6.4–10.2	44,000
San Gabriel	7.2%	5.4–9.0	35,000
Metro	14.3%	10.7–17.8	40,000
West	*6.7%	2.9–10.6	7,000
South	17.7%	13.8–21.6	59,000
East	10.2%	7.5–13.0	42,000
South Bay	9.6%	7.2–12.0	41,000

*Estimate should be viewed with caution because of the small sample size.

Uninsured Children Have More Difficulty Accessing Services

Uninsured children were more than four times as likely not to have a regular source of health care (30%) than children covered by private insurance (2%), Medi-Cal (5%), or Healthy Families (7%) (Figure 2). In addition, parents of uninsured children were much more likely to report difficulty obtaining needed medical care for their child in the past 12 months (58%) compared to parents of children with private insurance (8%), Medi-Cal (19%), or Healthy Families (15%) (Figure 3). Children without health insurance were also more likely not to have had a physical exam (16%) at the recommended interval compared to children with private insurance (6%), Medi-Cal (5%), or Healthy Families (8%).

FIGURE 2 Percentage of Children (0 to 17 Years Old) with No Regular Source of Care by Insurance Status, 2002–2003

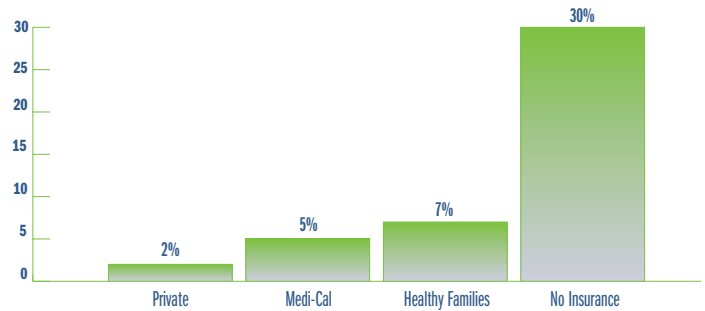
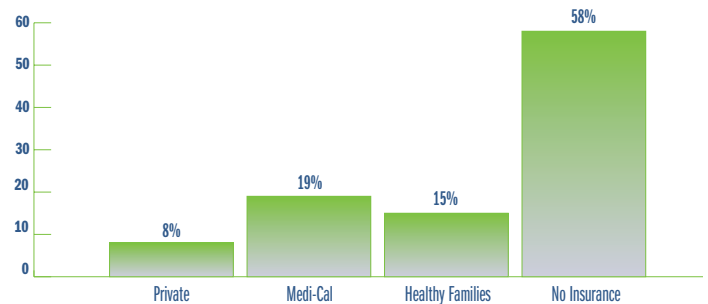


FIGURE 3 Percentage of Children (0 to 17 Years Old) whose Parents Reported Difficulty Obtaining Needed Health Care by Insurance Status, 2002–2003



6. Based on 2002 Federal Poverty Level (FPL) thresholds which, for a family of four (two adult and two dependents), correspond to annual incomes of \$18, 859 (100% FPL), \$37,718 (200% FPL), and \$56,557 (300% FPL).

Current Efforts to Increase Coverage

In Los Angeles County, there is a growing momentum towards universal insurance coverage for children. On July 1, 2003, a new health insurance program called Healthy Kids was established for children from birth through five years of age. Funded by First 5 LA, Healthy Kids covers children in households with incomes up to 300% FPL who are ineligible for Medi-Cal and Healthy Families, regardless of citizenship status.

At the same time, numerous stakeholders representing health care providers, private employers, foundations, public health officials, and educators have come together around the issue of universal coverage for children, forming a coalition called the Children's Health Initiative. Co-convened by the Los Angeles County Department of Health Services, the LA Care health plan, and The California Endowment, the coalition is seeking to ensure universal coverage for children in Los Angeles County by addressing programmatic barriers, creating political and public will for universal coverage, and securing funding to expand the existing Healthy Kids program to cover children through age 18 years. The expansion of Healthy Kids is anticipated to occur in the spring of 2004.

At the state level, the recent enactment of Senate Bill 2 (SB 2), the Health Insurance Act of 2003, requires employers with 50 or more employees to provide insurance for their workers or to pay into a state fund that will provide coverage. Employers with 200 employees or more will also be required to provide insurance coverage to dependent family members. A recent report from the UCLA Center for Health Policy Research indicates that, if fully implemented, SB2 could extend coverage statewide to over 1 million uninsured workers and their dependents by January 2007.⁷ However, a measure backed by a coalition of business groups, led by the California Chamber of Commerce, will be on the ballot in the November 2004 election to repeal SB2.

Major Hurdles Persist

Despite the important progress made in Los Angeles towards universal coverage for children, the state's budget shortfall is posing roadblocks to achieving this goal and may even reverse recent gains. The Governor's budget for FY 2004/05 proposes

7. Brown ER, Yu H, et al. SB2 will extend coverage to 1 million uninsured workers and dependents. UCLA Center for Health Policy Research Research. Health policy fact sheet, September 2003.

on the web



Healthy Kids Information about Healthy Kids, a health coverage plan for children 0-5 who are ineligible for Medi-Cal and Healthy Families.
<http://www.first5.org/ourprojects/healthykids.php4>

Los Angeles County Department of Health Services (DHS) LADHS provides a list of agencies that can help families determine the programs for which they qualify and assist them through the enrollment process.
<http://lapublichealth.org/mch/choi/HK2003Contractors.PDF>

100% Campaign, a collaborative effort of Children Now, Children's Defense Fund, and The Children's Partnership, with primary funding from The California Endowment, was created to ensure that all of California's children obtain the health coverage they need to grow up strong and healthy.
<http://www.100percentcampaign.org/>

California Health Care Foundation A resource for independent research, analysis, and news on issues affecting health care delivery and financing.
<http://www.chcf.org/>

Healthy Families Provides low cost insurance for children and teens, as well as health, dental and vision coverage to children who do not have insurance and do not qualify for free Medi-Cal.
<http://www.healthyfamilies.ca.gov/hf/hfhome.jsp>

Covering Kids and Families Works to reduce the number of uninsured children and adults who are eligible for public health care coverage programs but not enrolled.
<http://coveringkidsandfamilies.org/>

Department of Public Social Services (DPSS) Provides information on many free and low-cost health care programs and services that are available to qualifying low-income residents of Los Angeles County.
http://www.ladpss.org/dpss/health_care/default.cfm

significant changes to Medi-Cal, Healthy Families, and California Children's Services, a program serving children with disabilities. Some of these changes will restrict access to these programs. One dramatic example is the proposed enrollment cap for Healthy Families, which would place an upper limit on Healthy Families enrollment statewide. Under this proposed measure, new enrollment of eligible children would be halted until the total number of covered children falls below the cap.

The fragmentation of current insurance programs is also a significant barrier to increasing coverage for children in the county. In Los Angeles and throughout the state, many families are faced with enrolling individual family members in different programs because of complex eligibility rules that take into account one's age, income, and immigration status. In addition, parents or undocumented family members may not be eligible for public programs. A recent report



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from the Institute of Medicine noted that in families where one or more parents lacked health insurance, children in the household were less likely to get needed medical services, even when the children were insured.⁸ Some states have addressed this problem by extending

parental insurance coverage through Medicaid,⁸ an approach that may be particularly challenging in California given the current fiscal climate.

8. Institute of Medicine. Shaping the Future for Health; Health Insurance is a Family Matter; September 2002.

The Los Angeles County Health Survey is a periodic, population-based telephone survey that collects information on sociodemographic characteristics, health status, health behaviors, and access to health services among adults and children in the county. The 2002–2003 survey collected information on a random sample of 8,167 adults and 5,995 children. Interviews were offered in English, Spanish, Cantonese, Mandarin, Korean, and Vietnamese. The most recent survey was supported by grants from First 5 LA, the California Department of Health Services through grants to the Family Health, Tobacco Control and Prevention, and Alcohol and Drug Programs, and the Public Health Response and Bioterrorism Preparedness federal grant. The survey was conducted for the Los Angeles County Department of Health Services between October 2002 and March 2003 by Field Research Corporation.

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**For additional information about the
L.A. Survey: www.lapublichealth.org/ha**