ICHP KIDCARE EVALUATION TECHNICAL BRIEF

An Administrative Analysis of Program Renewal for Enrollees in Healthy Kids, Children's Medical Services Network and MediKids, September 2004 through January 2005

June Nogle, Ph.D., Associate Research Scientist
Elizabeth Shenkman, Ph.D., Director
Institute for Child Health Policy
University of Florida

Objective

As part of an ongoing effort to evaluate the Florida KidCare health insurance program, Florida's Agency for Health Care Administration commissioned the University of Florida Institute for Child Health Policy (ICHP) to analyze the renewal process for KidCare enrollees in the Healthy Kids, Children's Medical Services Network (CMSN) and MediKids health plans. This report has three objectives:

- Summarize policy changes implemented during state fiscal year 2003-2004 that affected the renewal process during state fiscal year 2004-2005
- Document the number of enrollees who were eligible to renew and the number of whom successfully completed the renewal process
- Analyze variations in the renewal outcome by demographic characteristics of the enrollees

Background

During Florida's state fiscal year 2003-2004, legislative changes were enacted to require families enrolled in the Title XXI components of the KidCare health insurance program to actively renew their children's coverage. In prior years, the renewal process was "passive", whereby families were asked to update their eligibility information every six months; coverage was continued if parents did not respond to the eligibility request, but continued to pay their premiums. With the enactment of an "active" renewal process, families are required to complete a Renewal Request application and provide documentation of their continued eligibility. If families do not complete the renewal process, their children's health insurance coverage is discontinued. To better understand the impact of active renewal on continued enrollment in the three Title XXI KidCare plans, the Florida Agency for Health Care Administration commissioned this evaluation.

Active renewal was implemented beginning in July, 2004. The renewal process allowed for a sixty day notification and response period. Hence, notification letters were sent to families in July, 2004 requesting their compliance with renewal steps for their children's coverage that would otherwise expire in September, 2004. Normally, health insurance would be discontinued if the renewal process was not completed by the coverage expiration date. Due to the hurricanes that disrupted normal activities in Florida during September, 2004 though, no children were disenrolled from the KidCare program due to non-compliance with the renewal process until December, 2004; the extension to December 2004 provided families with additional time to collect documents and respond to the KidCare notification letter.

A summary of the policy changes and enrollment levels for July, 2004 through January, 2005 are presented in Figure 1.

Figure 1: KidCare Title XXI Enrollment and Major Program Changes, State Fiscal Year 2004-2005

Source: Florida KidCare Coordinating Council

Methods
This analysis is limited to families of enrollees in Healthy Kids, CMSN, and MediKids who were sent a renewal notification letter during July, 2004-November, 2004. These letters were asking for active renewal of health insurance coverage that was due to expire in September, 2004-January, 2005. Even though disenrollment would occur if renewal was not completed within the sixty day window, the child's record remains in the KidCare enrollment system for up to four months after coverage was discontinued; this allowed coverage to be re-enacted if renewal documents were provided after the sixty day window without having to recreate the child's record from scratch. Hence, final disposition of January, 2005 renewals were not available until May, 2005 (four months after the renewal date).

The University of Florida Institute for Child Health Policy warehouses coverage information provided by the Florida Healthy Kids Corporation for all Title XXI KidCare enrollees. Information contained within ICHP insurance databases include months of coverage, fields denoting renewal status, and information from the family, including child's age, gender, family income, and zip code. At the time of this report, these databases were updated as of May, 2005, hence, allowing for the final disposition of the January, 2005 renewals to be identified.

Information on the renewal status and demographic characteristics of all children eligible for renewal during the observation period was extracted from the enrollment databases. Zip code information was translated into an indicator of rural or urban residence using an algorithm developed by the University of Washington.[1] All other characteristics of the enrollees and their families were analyzed as reported by the families to the Florida Healthy Kids Corporation.

Number of Children Eligible for Renewal
During July, 2004 to November, 2004, a total of 287,039 notification letters were sent to families of children eligible for renewal during September, 2004 to January, 2005. Healthy Kids enrollees comprised the largest share of children eligible for renewal; Healthy Kids enrollees were 89.2% of all children eligible for renewal. CMSN enrollees comprised 2.8% of all eligible children, while MediKids comprised 8.0%. Comparing notifications by month sent, a larger share of letters (23%) was sent during July than November (19%). The complete distribution of renewal notifications by month of notification is presented in Table 1.

Demographic Characteristics of Children Eligible for Renewal
Demographic characteristics of the 287,039 children eligible for renewal during the observation period are presented in Table 2. Boys comprise a slightly larger share than girls (51% versus 49%, respectively) of eligible children; this ratio is expected because the same 51:49 ratio exists at birth for boys and girls. Compared to the overall population, the CMSN enrollees had a more skewed sex ratio (56% male and 44% female) which is not unexpected given past research documenting that families of boys report more special health care needs than families of girls. Children ages 10-14 are the largest age group present in the eligible population; they are 37% of the total eligible population. Children aged 1-4 years are 11% of the total, while ages 5-9 comprise 29% of the total, and ages 15-18 comprise 23% of the total eligible population. The large share for children ages 10-14 is expected given the peak in births in Florida that occurred during the late 1980s and early 1990s due to the fertility trends of "Baby Boomer" women. Since

[1] For more information, please see http://www.fammed.washington.edu/wwamirhrc/rucas/rucas.html.

Table 1: Distribution of Children Eligible for Renewal by the Month the Notification Letter was Sent

Month Renewal Letter Sent (Number Children)	Total (N)	Healthy Kids (N)	CMSN (N)	MediKids (N)
Total, July 2004-November 2004	287,039	256,081	8,091	22,867
July 2004	65,759	59,305	1,785	4,669
August 2004	60,063	53,637	1,633	4,793
September 2004	56,933	50,846	1,621	4,466
October 2004	50,776	45,249	1,450	4,077
November 2004	53,508	47,044	1,602	4,862

Month Renewal Letter Sent (Percent Distribution by Program)	Total (row %)	Healthy Kids (%)	CMSN (%)	MediKids (%)
Total, July 2004-November 2004	100.0	89.2	2.8	8.0
July 2004	100.0	90.2	2.7	7.1
August 2004	100.0	89.3	2.7	8.0
September 2004	100.0	89.3	2.8	7.8
October 2004	100.0	89.1	2.9	8.0
November 2004	100.0	87.9	3.0	9.1

Month Renewal Letter Sent (Percent Distribution by Month)	Total (column %)	Healthy Kids (%)	CMSN (%)	MediKids (%)
Total, July 2004-November 2004	100.0	100.0	100.0	100.0
July 2004	22.9	23.2	22.1	20.4
August 2004	20.9	20.9	20.2	21.0
September 2004	19.8	19.9	20.0	19.5
October 2004	17.7	17.7	17.9	17.8
November 2004	18.6	18.4	19.8	21.3

Month Renewal Letter Sent (Percent Distribution by Program and Month)	Total (cell %)	Healthy Kids (%)	CMSN (%)	MediKids (%)
Total, July 2004-November 2004	100.0	89.2	2.8	8.0
July 2004	22.9	20.7	0.6	1.6
August 2004	20.9	18.7	0.6	1.7
September 2004	19.8	17.7	0.6	1.6
October 2004	17.7	15.8	0.5	1.4
November 2004	18.6	16.4	0.6	1.7

Table 2: Demographic Characteristics of Children Eligible for Renewal from September 2004 to January 2005 (Letters Sent July 2004 to November 2004)

Characteristic	Total (N)	Healthy Kids (N)	CMSN (N)	MediKids (N)
Total	287,039	256,081	8,091	22,867
Gender				
Male	146,362	130,255	4,564	11,543
Female	140,677	125,826	3,527	11,324
Age				
1-4	30,858	7,138	932	22,788
5-9	84,344	81,865	2,400	79
10-14	105,629	102,667	2,962	0
15-18	66,208	64,411	1,797	0
Rural-Urban Commuting Area				
Urban/Large towns	263,119	235,171	7,062	20,886
Rural/Small towns	21,105	18,412	957	1,736
Unknown	2,815	2,498	72	245
Federal Poverty Level				
150% or less	171,623	154,202	5,105	12,316
151% or greater	115,416	101,879	2,986	10,551

Characteristic (Percent of Program)	Total (column %)	Healthy Kids (%)	CMSN (%)	MediKids (%)
Total	100.0	100.0	100.0	100.0
Gender				
Male	51.0	50.9	56.4	50.5
Female	49.0	49.1	43.6	49.5
Age				
1-4	10.8	2.8	11.5	99.7
5-9	29.4	32.0	29.7	0.3
10-14	36.8	40.1	36.6	0.0
15-18	23.1	25.2	22.2	0.0
Rural-Urban Commuting Area				
Urban/Large towns	91.7	91.8	87.3	91.3
Rural/Small towns	7.4	7.2	11.8	7.6
Unknown	1.0	1.0	0.9	1.1
Federal Poverty Level				
150% or less	59.8	60.2	63.1	53.9
151% or greater	40.2	39.8	36.9	46.1

the MediKids plan is for children five years of age and younger, it is expected that this plan does not have any enrollees in the 10-14 or 15-18 age categories. Similarly, the Healthy Kids plan is primarily for children aged 6-18, plus their younger siblings in some parts of Florida, hence there are very few children aged 1-4 eligible for renewal in Healthy Kids. The vast majority (92%) of eligible children reside in urban zip codes, while 7% reside in rural zip codes, and 1% reside in areas of unknown urbanicity (most likely due to the creation of new zip codes who urban/rural quality is not yet documented). A majority of eligible children (60%) were living in households with incomes at or below 150% of the federal poverty level, while 40% reside in households with incomes above that threshold. Given the large population size within each health plan and their different target populations, the variation in all four demographic factors by program is significant at the 0.0001 level.

Renewal Outcomes by Children's Characteristics

Analysis of renewal outcomes finds that 227,839 (79.4%) of the 287,039 eligible children did successfully complete the renewal process during the observation period. Results vary significantly by program, with 79.5% of Healthy Kids, 85.7% of CMSN, and 77.1% of MediKids enrollees successfully renewing their coverage (χ^2=269.3; p<.0001) (see Figure 2 and Table 3).

Figure 2: Renewal Outcomes by KidCare Health Plan

Table 3: Renewal Status for Children Eligible for Renewal, by Demographic Characteristic, from September 2004 to January 2005 (Letters Sent July 2004 to November 2004)

Characteristic	Children Eligible for Renewal (N)	Renewal Status			
		Not Renewed		Renewed	
		N	row %	N	row %
Total, All Children	287,039	59,200	20.6	227,839	79.4
Gender					
Male	146,362	29,960	20.5	116,402	79.5
Female	140,677	29,240	20.8	111,437	79.2
Age					
1-4	30,858	6,015	19.5	24,843	80.5
5-9	84,344	16,008	19.0	68,336	81.0
10-14	105,629	20,647	19.5	84,982	80.5
15-18	66,208	16,530	25.0	49,678	75.0
Rural-Urban Commuting Area					
Urban/Large towns	263,119	53,843	20.5	209,276	79.5
Rural/Small towns	21,105	4,691	22.2	16,414	77.8
Unknown	2,815	666	23.7	2,149	76.3
Federal Poverty Level					
150% or less	171,623	42,754	24.9	128,869	75.1
151% or greater	115,416	16,446	14.2	98,970	85.8
Total, Healthy Kids	256,081	52,809	20.6	203,272	79.4
Gender					
Male	130,255	26,659	20.5	103,596	79.5
Female	125,826	26,150	20.8	99,676	79.2
Age					
1-4	7,138	704	9.9	6,434	90.1
5-9	81,865	15,647	19.1	66,218	80.9
10-14	102,667	20,263	19.7	82,404	80.3
15-18	64,411	16,195	25.1	48,216	74.9
Rural-Urban Commuting Area					
Urban/Large towns	235,171	48,091	20.4	187,080	79.6
Rural/Small towns	18,412	4,131	22.4	14,281	77.6
Unknown	2,498	587	23.5	1,911	76.5
Federal Poverty Level					
150% or less	154,202	38,344	24.9	115,858	75.1
151% or greater	101,879	14,465	14.2	87,414	85.8

Table 3: Renewal Status (continued)

Characteristic	Children Eligible for Renewal (N)	Renewal Status			
		Not Renewed		Renewed	
		N	%	N	%
Total, CMSN	8,091	1,157	14.3	6,934	85.7
Gender					
Male	4,564	655	14.4	3,909	85.6
Female	3,527	502	14.2	3,025	85.8
Age					
1-4	932	125	13.4	807	86.6
5-9	2,400	313	13.0	2,087	87.0
10-14	2,962	384	13.0	2,578	87.0
15-18	1,797	335	18.6	1,462	81.4
Rural-Urban Commuting Area					
Urban/Large towns	7,062	1,002	14.2	6,060	85.8
Rural/Small towns	957	142	14.8	815	85.2
Unknown	72	13	18.1	59	81.9
Federal Poverty Level					
150% or less	5,105	854	16.7	4,251	83.3
151% or greater	2,986	303	10.1	2,683	89.9
Total, MediKids	22,867	5,234	22.9	17,633	77.1
Gender					
Male	11,543	2,646	22.9	8,897	77.1
Female	11,324	2,588	22.9	8,736	77.1
Age					
1-4	22,788	5,186	22.8	17,602	77.2
5-9	79	48	60.8	31	39.2
10-14	0	0	0.0	0	0.0
15-18	0	0	0.0	0	0.0
Rural-Urban Commuting Area					
Urban/Large towns	20,886	4,750	22.7	16,136	77.3
Rural/Small towns	1,736	418	24.1	1,318	75.9
Unknown	245	66	26.9	179	73.1
Federal Poverty Level					
150% or less	12,316	3,556	28.9	8,760	71.1
151% or greater	10,551	1,678	15.9	8,873	84.1

Renewal outcome for the total population also varied significantly by three of the four demographic characteristics. A smaller share (75%) of 15-18 year old enrollees successfully renewed compared to their younger peers--81% of 1-14 year olds successfully renewed (χ^2=1001.1; p<.0001). Eighty percent of enrollees in urban areas and 78% of rural enrollees successfully renewed (χ^2=53.1; p<.0001). Enrollees in households closer to poverty had lower renewal success (75%) than their peers from households with incomes above the 150%FPL threshold (χ^2=4792.2; p<.0001). The only demographic factor that did not vary significantly with the outcome was gender—79.5% of boys successfully renewed and 79.2% of girls did so.

As the Healthy Kids plan covers the vast majority of the KidCare Title XXI enrollees, the results of renewal status by characteristics for the Healthy Kids plan are almost identical to those for the entire population. Age (χ^2=1472.2; p<.0001), area of residence (χ^2=53.9; p<.0001), and poverty level (χ^2=4265.0; p<.0001) vary significantly with whether or not an eligible Healthy Kids enrollee renewed successfully. For CMSN enrollees though, only age (χ^2=35.6; p<.0001) and poverty level (χ^2=66.5; p<.0001) varied significantly with the renewal outcome. Similar to the overall and Healthy Kids results, a larger share of younger enrollees in the CMSN plan successfully renewed compared to their older counterparts; 87% of 1-14 year olds in CMSN successfully renewed, but only 81% of 15-18 years old did so. By poverty status, 83% of CMSN enrollees closer to the poverty line successfully renewed and 90% of those CMSN enrollees above 150%FPL successfully renewed. Poverty status (χ^2=541.5; p<.0001) and age (χ^2=64.4; p<.0001) were also the only significant demographic factors for renewal of MediKids enrollees. Eighty-four percent of MediKids enrollees above 150%FPL successfully renewed their KidCare coverage, but only 71% of MediKids enrollees closer to poverty did so. Seventy-seven percent of MediKids enrollees age one to four years successfully renewed, but only 39% of MediKids enrollees above the age of four years successfully renewed their KidCare coverage. Since enrollment in any Title XXI plan was documented in the ICHP databases, "ageing-out" of the MediKids eligibility and into the Healthy Kids or CMSN programs should have been reflected in the enrollment patterns, i.e, MediKids enrollees age five eligible for KidCare renewal would be expected to successfully renew KidCare coverage and be re-enrolled into the Healthy Kids or CMSN plans. Further consideration of the renewal outcomes for age five MediKids enrollees will be needed.

Renewal Outcomes by Month of Notification

Given the impact of hurricanes on Florida during September, 2004, a special analysis was conducted to measure the variation in renewal outcome by month of notification. Table 4 presents the number of eligible children by month of notification and the number and percent that successfully renewed by month of notification. There was significant variation in renewal by the month of notification (χ^2=240.4; p<.0001) for the total population of KidCare enrollees. The highest renewal rate (81.1%) was found for enrollees who were notified in July, 2004, the first month that active renewal became standard practice. The lowest rate of renewal (77.8%) was found among enrollees who were notified during November, 2004. November notifications also had the lowest renewal rates for each of the three health plans. Healthy Kids renewal rates ranged significantly (χ^2=220.; p<.0001) from 81.1% for July, 2004 notifications to 77.9% for November, 2004 notifications. MediKids renewal rates were also significantly different by month (χ^2=19.9; p=.0005), with the highest (79.0%) and lowest rates (75.4%) falling in the same

months as Healthy Kids. CMSN renewal rates ranged from 87.0% for August, 2004 notifications to 84.3% for November, 2004 notifications; the variation by month for CMSN was insignificant though (χ^2=5.3; *p=.2575*).

Table 4: Renewal Status for Eligible Children Whose Letters Were Sent July 2004 to November 2004

Number of Eligible Children by Month Renewal Letter Was Sent	Total (N)	Healthy Kids (N)	CMSN (N)	MediKids (N)
Total, July 2004-November 2004	287,039	256,081	8,091	22,867
July 2004	65,759	59,305	1,785	4,669
August 2004	60,063	53,637	1,633	4,793
September 2004	56,933	50,846	1,621	4,466
October 2004	50,776	45,249	1,450	4,077
November 2004	53,508	47,044	1,602	4,862

Number of Children Whose Renewals Were Successfully Processed by Month the Letter Was Sent	Total (N)	Healthy Kids (N)	CMSN (N)	MediKids (N)
Total, July 2004-November 2004	227,839	203,272	6,934	17,633
July 2004	53,329	48,101	1,540	3,688
August 2004	47,897	42,747	1,420	3,730
September 2004	44,589	39,770	1,387	3,432
October 2004	40,372	36,019	1,236	3,117
November 2004	41,652	36,635	1,351	3,666

Percent of Eligibles Successfully Renewed	Total (%)	Healthy Kids (%)	CMSN (%)	MediKids (%)
Total, July 2004-November 2004	79.4	79.4	85.7	77.1
July 2004	81.1	81.1	86.3	79.0
August 2004	79.7	79.7	87.0	77.8
September 2004	78.3	78.2	85.6	76.8
October 2004	79.5	79.6	85.2	76.5
November 2004	77.8	77.9	84.3	75.4

Conclusions and Implications

In conclusion, 287,039 KidCare Title XXI enrollees were eligible for renewal during the period of September, 2004 through January, 2005. Notification letters were sent by KidCare to families sixty days prior to the renewal date and the renewal process was successfully completed by families of 227,839 enrollees—79.4% of the eligible population. Significant variation in renewal

outcomes was found by health plan, age of the child, area of residence, family poverty status, and month of renewal notification. Further research may be needed to more fully understand the renewal process for several categories of KidCare enrollees who had significantly lower rates of renewal. Adolescents aged 15-18 had lower levels of renewal compared to their younger peers. Special outreach efforts may need to be tailored for families of adolescents to assist them with the renewal process. Similarly, families below 150% of the federal poverty level had lower rates of renewal than families above that threshold. Are lower-income families having more difficulty meeting documentation requirements because of sporadic employment histories? Do lower-income families have more housing instability and are less likely to be reached within sixty days by the notification documents? In addition, it is not known how many lower income families may have transitioned to the Medicaid Program. Additional follow-up with the Department of Children and Families is needed to determine if transition to Medicaid contributed to the higher rates of non-renewal among lower income families.

Also, the process of renewal for MediKids enrollees over the age of four should be examined more closely. The methodology underlying this study would have identified successful renewal if MediKids enrollees "aged-out" of MediKids and enrolled in Healthy Kids or CMSN. But, the majority of MediKids over the age of four who were eligible to renew were not found in either MediKids or another Title XXI program. Clarification of eligibility and application steps may be needed for families of older MediKids enrollees. To insure continuity of coverage, families should be made aware of their coverage options in other Title XXI programs as their children lose eligibility in MediKids.

Finally, further analysis will be needed to examine the trend in renewal outcome for additional months. Notably, the hurricanes in September, 2004 were not found to have a detrimental effect on renewal outcomes for renewals due that month; this is most likely due to the grace period extension to December, 2004. But, lower rates were found for notifications sent in November, 2004. The KidCare open enrollment period for new enrollees began January 1, 2005. As parents of children eligible for renewal received letters in November, 2004 for renewals due January, 2005, their renewal attempts would have been occurring at the same time other parents were interacting with Florida Healthy Kids Corporation regarding new enrollment applications. The lower renewal rate for November, 2004 notifications could have occurred due to documentation lost or delayed in the holiday mail, inability to reach a KidCare customer service agent via telephone, or a host of other internal processing issues caused by the swell of activity at Florida Healthy Kids Corporation to supply and service new enrollee applications. Are the lower rates of renewal found for notifications sent in November, 2004 just one point along a declining trend? Will renewal rates improve during the spring of 2005? An extension of this analysis through the end of state fiscal year 2004-2005 would illuminate the dynamic trend in renewals as the active renewal process becomes an established component of the enrollment process in KidCare for Title XXI children and their families.

For more information, please contact the authors at the University of Florida Institute for Child Health Policy, phone 352-265-7220 or www.ichp.ufl.edu.