



AB 1948 (Montañez)

➤ Background

California's two main children's health insurance programs, Medi-Cal and Healthy Families, are a vital source of protection for low-income children. Many of the 429,000 eligible but not enrolled children (UCLA Center for Health Policy Research, 2003 data) could benefit from these programs if the state simply removed bureaucratic barriers to enrollment.

One such barrier is the "two-step" design of the state's current Child Health and Disability Prevention (CHDP) Gateway process. Currently, children up to age 18 in families with income at or below 200% of the federal poverty level can immediately enroll for coverage over the Internet from a doctor's office or clinic at the time of a "well-child" visit. However, the child will automatically lose coverage in a maximum of two months if the family does not submit a Medi-Cal/Healthy Families paper application before the child's temporary coverage expires.

➤ AB 1948

AB 1948 requires the State Department of Health Services (DHS) to condense the current "two-step" application process for the CHDP Gateway into one simple application for families wishing to enroll their children in on-going coverage. Eligible children could enroll into Medi-Cal and Healthy Families through the electronic CHDP Gateway system and maintain coverage until a final eligibility determination is made. The bill is sponsored by MCH Access.

➤ Why AB 1948 is necessary

- Children with health insurance are more likely to **be healthy and stay in school** and to **avoid the need for costly emergency and other** treatments for conditions that worsen without timely access to preventative and other basic medical care.
- DHS has estimated that **175,000 children each year** would be enrolled in Medi-Cal or Healthy Families as a result of a similar measure (AB 624, vetoed in 2005)—that's **over 40% of the eligible but unenrolled children in California**.
- AB 1948 also eliminates the duplicative administrative costs associated with the current "two-step" Gateway enrollment process. **DHS estimates these administrative savings at \$840,000 a year.**
- The half-year (to allow time to prepare for implementation) **caseload growth cost** is estimated at **\$22 million** State General Fund (SGF) (\$44 million SGF full year).