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## Budget provides children increased insurance coverage

*By Phillip Rawls*

*The Associated Press*

Working families struggling to pay their children's medical bills may get help from a decision by the Alabama Legislature to expand the state's insurance program for children by an estimated 14,000 youngsters.

The expansion was allowed by Congress in February when it raised the federal tobacco tax to pay for more children's health insurance. The Legislature provided the matching state money necessary for the expansion when it recently approved a state General Fund budget for the fiscal year starting Oct. 1.

Senate budget committee Chairman Roger Bedford pushed for the expansion.

The Democrat from Russellville said the Legislature wanted to help more working families where parents are losing health insurance benefits due to the recession and parents in jobs without health insurance.

"These are working families who cannot afford health insurance or it's not offered at work," Bedford said.

The expansion was not in the budget that Gov. Bob Riley recommended to the Legislature in February.

His communications director, Jeff Emerson, said the governor is reviewing the increase approved by the Legislature and considering whether the state can afford it in future years. He has not made a decision, Emerson added.

On Thursday, Riley must send the budget back to the Legislature with any changes he wants. The Legislature can accept or reject his changes.

Currently in Alabama, children from families making below 100 percent of the federal poverty level are covered by the state Medicaid program. The Alabama's Children's Health Insurance Program, called ALL Kids, covers children from families making between 100 percent and 200 percent of the federal poverty level.

The new budget allows the state Department of Public Health to raise Alabama's income limit for ALL Kids to 300 percent.

That means the income limit for a family of two will go from \$29,140 to \$43,710. For a family of four, it will go from \$44,100 to \$66,150. Alabama officials estimate 14,000 children under 19 will be added to the insurance rolls.

Anna Blair, policy analyst for Alabama Arise, said her organization that serves low-income Alabamians has seen an increase in phone calls from parents who have lost jobs and need insurance coverage for their children.

According to the National Academy for State Health Policy in Washington, 11 states have already

implemented programs that are at 300 percent of the federal poverty level or higher and 10 more states have approved going to that level.

"Alabama is right up there with the leaders," Maureen Hensley-Quinn, the academy's policy specialist, said Tuesday.

Alabama's ALL Kids program is getting \$32.5 million in state funds this year. The state money, plus matching federal money, is used to cover more than 70,000 children.

The budget approved by the Legislature would increase the appropriation to \$40.5 million for the fiscal year starting Oct. 1. The increase should bring in nearly \$32 million in extra federal funds.

Currently, parents pay a nominal amount for their children to participate in ALL Kids and that will continue with the expanded program, although the amount has not been determined for families making between 200 percent and 300 percent of the poverty level.

Cathy Caldwell, director of the state Bureau of Children's Health Insurance, said those making between 150 percent and 200 percent of the poverty level pay \$100 annually per child to participate, with a cap of \$300 annually even if they have four or more children. They pay \$2 for a generic drug prescription, \$3 for a preferred drug and \$5 for a name-brand drug.

## Additional Facts

### WANT TO KNOW MORE?

**What's changing:** The Legislature has appropriated money to expand Alabama's Children's Health Insurance Program, called ALL Kids.

**What happens:** Program will expand Oct. 1 to cover children from families making between 200 percent and 300 percent of the federal poverty level. The program already covers children below that level.

**The impact:** The income limit for a family of two will go from \$29,140 to \$43,710. For a family of four, it will go from \$44,100 to \$66,150.

**The growth:** Health officials estimate 14,000 more children will be covered.

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