Key Facts on Hawaii’s Keiki Care Program

On October 16, 2008, Hawaii Governor Linda Lingle’s administration announced that the state would discontinue its funding for the Keiki Care program on November 1. Keiki Care is a partnership between the state of Hawaii and the Hawaii Medical Service Association (HMSA), the state’s Blue Cross/Blue Shield health plan. The state and the health plan share the costs of the program. HMSA has announced that it will continue to provide coverage to children enrolled in Keiki Care, without state funding, through the end of 2008; it has not determined whether coverage will continue in 2009.¹

Begun only seven months previously on April 1, Keiki Care covers children who were not eligible for Hawaii’s combined Medicaid/SCHIP program or other health coverage. The program provides limited health benefits to approximately 2000 children.² The plan covers doctor visits, standard immunizations, hospitalization up to five days per year, and other services. It does not cover prescription drugs except for generic antibiotics and oral contraceptives after a $5 co-pay. The plan does not charge premiums; families pay co-pays of $7 for office visits, $25 for emergency room visits, and $100 for inpatient days.³

Keiki Care was a relatively small part of Hawaii’s children’s coverage efforts. It was not part of Medicaid or SCHIP and did not receive federal financial participation. Hawaii’s Medicaid/SCHIP program, called Med-QUEST, provides eligibility up to 300% of the federal poverty level and covers about 108,000 children in Hawaii.⁴ Keiki Care, by contrast, covered 1,974 children as of August 31, 2008, or 1.8% of the children enrolled in Hawaii’s public coverage programs.⁵ The state paid $25.50 per child per month for Keiki Care.⁶ Covering 1,974 children cost the state $50,337 per month, or $604,044 per year. This represents less than 1% of the state’s spending on children in Med-QUEST.

Despite its small size, Keiki Care has been labeled as Hawaii’s universal health coverage program for children because it was intended for all children who were uninsured and not eligible for other state or federal health coverage. To assure the program served the uninsured, children were required to be without insurance for six months prior to enrolling in Keiki Care. There were three exceptions to this rule—children could enroll without serving the six month waiting period if they were previously enrolled in Med-QUEST and lost eligibility due to an increase in income; if they were younger than six months old and previously enrolled in Hawaii’s infant care program⁷; or if they were previously enrolled in a children’s plan offered by HMSA.⁸ This provision ensured that children who enrolled in the program had not recently dropped employer-sponsored insurance, but rather came from uninsured status, Medicaid/SCHIP, or HMSA’s Children’s Plan.
1 Personal communication with Cliff Cisco, Senior Vice President, Hawaii Medical Service Association. 23 October 2008.
7 The infant care program covered uninsured children 30 days old and younger, Keiki Care covered children from 31 days to 18 years old.