



ARIZONA STATE SENATE
Forty-ninth Legislature, First Regular Session

PROGRAM PRESENTATION
KidsCare and KidsCare Parents

Background

The KidsCare program, also referred to as the Children's Health Insurance Program (CHIP), provides health coverage to children in families with incomes below 200 percent federal poverty level (FPL), but above the levels required for the regular Arizona Health Care Cost Containment System (AHCCCS) program. The KidsCare program receives Federal Title XXI monies at approximately a 3 to 1 match rate. The Federal Title XXI monies are deposited into the CHIP Fund, and the CHIP Fund is then appropriated, along with the state General Fund match, to fund KidsCare.

Beginning in October 2002, the KidsCare program was expanded to cover the parents of children enrolled in KidsCare. The expansion, termed as *KidsCare Parents*, has provided AHCCCS coverage to parents of children in KidsCare whose household incomes are between 100 percent to 200 percent FPL. In 2008, the Legislature granted permanent statutory authority to the KidsCare Parents program (Laws 2008, Chapter 288).

According to AHCCCS, as of February 1, 2009, there were 59,577 children enrolled in KidsCare, and 8,640 parents enrolled in KidsCare Parents (<http://www.azahcccs.gov/Statistics>).

Fiscal Information

According to JLBC, in FY 2008-2009, the Legislature appropriated \$32,996,800 in state General Fund monies to AHCCCS for KidsCare services. This appropriation took into consideration an estimated \$7.1 million in premiums, which are used to offset the cost of services. Monthly premiums range from \$10 to \$35, depending on household income and the number of children enrolled. Of the originally appropriated amount, \$18,307,500 remains in the CHIP Fund as of February 1, 2009.

Additionally, \$8,336,300 was appropriated from the state General Fund to AHCCCS for KidsCare Parents for FY 2008-2009. Premiums are also used to offset the costs of the program. Premiums for this population total 3 percent to 5 percent of the family's monthly income, depending on income level for coverage of all parents and children. In addition, parents are required to pay an enrollment fee of \$15 to \$25 per parent. Of the originally appropriated amount, \$4,738,900 remains unexpended as of February 1, 2009.