

Health insurance on the block

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Jessica Warner and her husband cannot afford health insurance, but the stay-at-home Santa Rosa mom sleeps easier knowing her two children have coverage.

Her peace of mind soon may fall victim to the California budget crisis.

For Warner, whose husband Jonathan just launched a residential and commercial electrical business, health insurance is an out-of-reach luxury. Yet for the last year and a half, Healthy Families, a government-funded insurance program for children, has provided low-cost medical coverage for their kids, Julian, 2, and Josie, 1.

“Co-pays are free for healthy checkups, and if they’re sick when you take them, it’s like \$5,” said Jessica. “We took Julian to the ER because he dislocated his elbow — it was \$5. That’s about what you would pay for a coffee drink at Starbucks.”

Julian and Josie are among 12,333 children and teens in Sonoma County who would lose their medical coverage under Gov. Arnold Schwarzenegger’s proposal to eliminate Healthy Families.

The proposal, part of the governor’s effort to wrestle down a budget deficit that has now ballooned to more than \$24 billion, could unravel a nine-year-old effort on the part of county health officials and local medical professionals to ensure that every child in Sonoma County has health insurance.

Like Warner, Jennifer Chavez, a Santa Rosa mother of two, rests a little easier because her girls, Alicia, 2, and Jazmin, 9, also are insured through Healthy Families.

Chavez’s husband is a tile-setter who works for a company in San Rafael. Their story is all too familiar: they make too much money to qualify for Medi-Cal but not enough to pay for private health insurance and rent at the same time.

“If Arnold Schwarzenegger takes it away, I don’t know what we would do. I don’t even have insurance,” said Chavez. “But I only care about my kids.”

The number of uninsured children in Sonoma County, currently estimated at 3,000, would likely reach 15,000 if the program is killed.

That is a devastating scenario, not only for the children who no longer would be insured, but for the hospitals, health clinics and doctors who are part of a countywide collaborative effort called Healthy Kids Sonoma County.

The three-tier enrollment program directs the parents of uninsured children into one of three programs: Medi-Cal, Healthy Families or special private insurance for those who do not qualify for the first two.

Launched in 2005, program members set out to capture the county’s uninsured kids. They spread the word at local health fairs. When parents brought their kids into emergency rooms or clinics, social workers determined the appropriate health insurance for the little patients based on their family incomes.

The very poor would be directed to Medi-Cal. Children of low-income working parents would receive Healthy Families coverage. And those parents with higher incomes, but without a family health plan, would primarily get into either Partnership Health Plan or Kaiser Permanente’s Children’s Health Plan.

Advocates for Healthy Families point out the program receives two-thirds of its funding from the federal government, and if the state drops the program, it would lose up to \$1.5 billion in federal health care aid.

While the collaborative would still offer Medi-Cal and the private insurance program, the cost of caring for kids abandoned by the Healthy Families likely would fall on local hospitals and clinics.

"We don't have the funding locally to cover that many kids dropping off the insurance rolls," said Cliff Coates, Healthy Kids program manager.

Kaiser Permanente sees 4,680 Sonoma County kids who are covered by Healthy Families, more than a third of all county children in the program.

It's unclear what would happen to them if the state eliminated Healthy Families.

"It would be unconscionable to drop all these kids out of a health care program," said Carl Campbell, a Kaiser spokesman.

St. Joseph Health System-Sonoma County, which operates both Petaluma Valley and Santa Rosa Memorial hospitals, has enrolled almost 670 kids into Healthy Families since July 1, 2008.

In the past 10 months, St. Joseph received \$189,318 in funding from Healthy Families for its dental clinics, and also for its mobile health clinics. The elimination of Healthy Families would jeopardize these operations, said Katy Hillenmeyer, a St. Joseph spokeswoman.

At Sutter Medical Center, the projected revenue from patients covered by Healthy Families is about \$315,000, said Penny Vanderwolk, a member of the Healthy Kids steering committee who represents Sutter.

"If those patients were uninsured they'd be charity care," Vanderwolk said, adding that the hospital's total financial burden for charity care would rise to more than \$2.5 million.

Also affected would be Sonoma County residents whose children have been seen regularly by a local pediatrician or family practitioner for the past few years because of Healthy Families.

"It feels like a luxury," said Jessica Warner, who takes her children to a private physician in Santa Rosa. "I was really happy to get it. It felt like we were important again."

Cornelio Arango, a 45-year-old production handler at Thermo Fisher Scientific Inc., a plastics factory in Petaluma, has three children enrolled in Healthy Families.

Arango said his company offers health care benefits, but he can't afford them. His wife just started working in another factory.

"If I were to get insurance for my whole family, I wouldn't even have enough left over to pay rent," he said, speaking in Spanish.

Arango said his children have never been seriously ill but nonetheless get regular checkups. "Even though they are healthy, it's still important for them to have health insurance," he said.

Arango's children are treated at the Petaluma Health Center, one of several community health centers that stands to lose about \$159,000 a year if Healthy Families is scrapped.

At West County Health Centers, 215 children would lose their health insurance. The clinics themselves would lose \$48,000 a year in revenue for medical, dental and mental health services, said Mary Szecsey, West County Health Centers' executive director.

And at Southwest Community Health Center, the loss would be \$250,000, said Naomi Fuchs, the center's CEO.

H.D. Palmer, the governor's spokesman on budget matters, said a joint Assembly-Senate conference committee that took testimony on the proposed cuts last week will reconvene again today.

The proposal made earlier this week to eliminate Healthy Families was made with “extreme reluctance,” he said. But little time and few alternatives are left.

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