WASHINGTON’S APPLE HEALTH FOR KIDS PERFORMANCE BONUS  
December 17, 2009

Apple Health for Kids—Washington state’s children’s health insurance program—has won a $7,461,079 performance bonus from the federal government for its outstanding efforts to enroll children in health insurance and help them retain coverage. Washington, a long-time leader in health coverage for children, is one of just a handful of states to be awarded a bonus. The award is a boost to the Apple Health for Kids program that many families are relying on to help them through the economic crisis.

The federal Children’s Health Insurance Program Reauthorization (CHIPRA) law—the second bill signed into law by President Barack Obama—created performance bonuses to help states meet the cost of enrolling low-income children. The bonus structure set aggressive targets for enrollment and set a high bar for policies to promote enrollment, efficiency, and retention.

How did Washington qualify?

Starting in December 2009, bonuses will be awarded annually to states that adopt strategies to improve enrollment and retention, and who meet cumulative targets for enrollment. Washington must continue to demonstrate excellence in enrolling and retaining children in order to receive bonus payments each year.

To qualify, states must have implemented at least five out of eight measures for simplifying enrollment and retention. Washington qualified this year because its policies include 12-month continuous coverage, no asset test, no in-person interviews, use of a joint application for both Medicaid and CHIP, and administrative renewals.

In addition to meeting these criteria, states must enroll an increasing number of children each year. Enrollment targets for this year were based on 4% growth in enrollment after accounting for population growth and changes in enrollment driven by the economy.

How can the funds be used?

The Obama administration and Congress clearly intended for the bonus funds to be used by states to offset the costs of increased enrollment in children’s health programs.

Earlier this month, Governor Chris Gregoire reluctantly proposed lowering the eligibility threshold for Apple Health for Kids to 205 percent of the federal poverty level, which would leave 16,000 children without health insurance coverage starting July 1, 2010. This performance bonus will cover two thirds of the cost of preserving Apple Health for Kids.

The Georgetown University Center for Children and Families has created this briefing on the performance bonus. The Children’s Alliance press release is here.

For more information, please contact Jon Gould at (206) 324-0340 x19 or jon@childrensalliance.org
Reactions to Washington’s Apple Health for Kids Performance Bonus

"This bonus award is recognition that Washington state is in the forefront of states that have made children's health coverage a priority concern. But the real value of the award is that in a time of deep economic uncertainty, these extra funds will help us continue our effort to ensure that all of Washington's children have health insurance. No child should ever have to go without health care."

—Governor Chris Gregoire

“This performance bonus recognizes Apple Health for Kids as a leader in the nation on children’s health. We made a promise to all of our children and we are keeping it.

It is an honor to be named by President Obama and his administration as an example among states on children’s health. But most importantly, it is critical to use these funds to ensure Apple Health for Kids gives every child in Washington the health care they deserve.”

—Speaker of the House Frank Chopp

“When we passed House Bill 2128 last session to improve outreach, enrollment and renewal efforts of the Apple Health program, we hoped this would be the result. We are thrilled.

We’ve worked hard over the last two years to get eligible children enrolled in Apple Health, and as a result the number of uninsured children has dropped. This federal bonus is proof that our efforts have been effective and serve as a model for other states to follow.

This is further proof that we must maintain our commitment to provide all children in the state with comprehensive health coverage in the coming years.”

—State Senator Karen Keiser, Chair, Health & Long-Term Care Committee
“This performance bonus is federal recognition that Washington State has created an efficient and comprehensive Apple Health for Kids program, and it provides our state with additional funding to sustain the Apple Health for Kids program so that we don’t fall back on our promise to cover all kids.

Families in our state require successful programs like Apple Health for Kids particularly in tough economic times. Today's bonus is great news for kids and families in our state.”

–State Representative Larry Seaquist, Vice-Chair, House Health and Human Services Appropriations Committee

“All children deserve care when they’re sick or injured – that’s a central value of our state. Helping kids whose families can’t afford health insurance get the health care they need has long been a top priority of the Senate, and will remain a top priority. These federal funds are a recognition of the importance of our commitment to kids’ health care, and a welcome contribution to keeping that commitment strong in a time of economic uncertainty, when so many families and kids need our help the most.”

–State Senate Majority Leader Lisa Brown

“Being laid off has been very hard. One saving grace has been the Apple Health for Kids medical coverage for my son. Knowing that he is covered for any medical needs and his ADHD appointments has kept him healthy and given me peace of mind. Apple Health keeps my son protected which is my number one priority.”

–Brenda Chevalier, Bellingham, WA