



Talking Points: Adequate funding to sustain ALL Kids (Children's Health Insurance Program)

The Alabama Chapter of the American Academy of Pediatrics strongly supports the Alabama Department of Public Health's budget request to fully fund ALL Kids (Children's Health Insurance Program) for Fiscal Year 2020.

- Alabama was the first state to establish a CHIP program, known in Alabama as ALL Kids. The ALL Kids program has remained true to CHIP's original intent to provide health insurance to children in working families who do not otherwise have employer-sponsored coverage and whose income is between 141 and 312 percent of the federal poverty level. Because of the work of many people coming together at the state level, this successful program has achieved Alabama's rank as the state with the lowest uninsured rate of children among 16 southern states. Neighboring states look to Alabama as the RIGHT way to do it!
- The ALL Kids program is a true public-private partnership, administered as a health plan for children by the Alabama Department of Public Health with benefits delivered through Blue Cross Blue Shield of Alabama. With a federal match rate of 91.88% in 2020, the ALL Kids program draws down \$91.88 into the state for every \$8.12 it spends. An even higher match rate than that of the Alabama Medicaid Agency, this federal match infuses millions of dollars in Alabama to support the state's healthcare infrastructure. In its 22-year history, the Alabama program has been a good steward of its federal funding and has remained true to covering only children.
- After two years of 100 percent funding from the federal government, the Alabama Department of Public Health is requesting \$23.4 million in state funds. In recent years, the program has implemented cost-savings measures, including increased premiums and co-payments, modifying pharmacy benefits, changed frequency of routine eye exams and glasses and instituted co-pays for services that did not have co-pays. It is important to note that this \$23.4 million draws down approximately **\$260 million** in federal funds.
- We appeal to our state lawmakers to fund the program at its full request for Fiscal Year 2020.