

PROVIDERFACTS



New Legislation Impacts Alabama Child Care Program

More Children Have Opportunity for Coverage through ALL Kids and Medicaid

Blue Cross and Blue Shield of Alabama created the Alabama Child Caring Foundation (ACCF) in 1987 to provide medical coverage for children who did not qualify for governmental assistance and whose parents could not afford private health insurance. This service was provided by the Alabama Child Caring Program (ACCP) with donations from donors, many of them Alabama healthcare professionals, and dollar-for-dollar matching funds from Blue Cross.

Recent changes in federal and state funded health insurance programs allow more children to qualify for Alabama's Medicaid and ALL Kids programs. These changes have led ACCP to reassess its role.

"The federal government and the State of Alabama increased the income level to qualify for government-financed health insurance programs that benefit children," said Barbara Hutchinson, Executive Director, ACCF. "These family income levels are now higher than what's allowed by the Alabama Child Caring Program. As a result, we will be working with families whose children are covered in our program to help them secure healthcare coverage through ALL Kids and Medicaid."

In response to these federal and state changes, Blue Cross' ACCP will close on January 1, 2011, after providing healthcare coverage to more than 71,000 children during the past 22 years.

Several factors influenced the decision to close the program. The Alabama Legislature increased the upper income limit for participation in the ALL Kids program from 200 to 300 percent of the Federal Poverty Level (FPL). This increase exceeds the ACCP's upper income limit of 235 percent of the FPL and significantly increases the number of children eligible for ALL Kids. Additionally, premium credits and subsidies included in the recently enacted federal healthcare laws will expand availability of health insurance to families with incomes up to 400 percent of the FPL.

The ACCP has worked collaboratively with ALL Kids and Medicaid to provide healthcare coverage to children throughout Alabama. As a result, the number of uninsured children in Alabama has decreased from 230,000 in 1988 to approximately 41,000.

"Working together with donors, state agencies and healthcare providers, we have been able to provide healthcare coverage for so many children that Alabama has the second lowest percentage of uninsured children in the nation," Hutchinson said. "We remain committed to the children of Alabama and will continue to support programs that help our state's children in need. I want to thank every donor and healthcare professional for your contributions toward helping these children receive the best healthcare possible."

All donations received by the ACCP on or after May 1, 2010, will be returned to donors. Although claims costs for children currently enrolled in the program will exceed revenue by a considerable amount, Blue Cross will cover claims costs through December 31, 2010.

Important Information

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