



ALASKA HUMAN SERVICES COALITION

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Denali Kid Care Fact Sheet

- Denali KidCare (DKC) is the State of Alaska's "State Children's Health Insurance Program" (SCHIP) authorized by Title XXI of the Social Security Act. The SCHIP program was created in 1997 to insure children in families with too much income to qualify for Medicaid and too little to afford private insurance, specifically, children under age 19 in families with incomes below 200% of the federal poverty level (FPL). In 2007, FPL for a family of four in Alaska is \$53,000 per year.
- DKC is jointly financed by the Federal and State governments and is administered by the Alaska Department of Health and Social Services. Within broad Federal guidelines, each State determines the design of its program, benefit packages, payment levels for coverage, administrative and operating procedures and maximum eligibility levels.
- DKC was authorized by the Alaska Legislature in 1999. The program was modeled after similar programs around the country and the eligibility level was set at 200% of the FPL. In 2004 a legislative initiative passed that scaled back and froze the eligibility rate at 175% of the FPL. Since this action eliminated cost of living adjustments, many children who historically had been eligible for DKC quickly lost their insurance.
- During the 2007 session, the legislature partially addressed the problem of access to health care for low-income children by returning maximum DKC eligibility to a percentage of FPL, this time 175% FPL. The job of covering low-income kids is not complete.
- At 200% FPL, DKC will cover an additional 1,200 low-income children from working families who earn too much to qualify for Medicaid, but not enough to afford health care insurance. These children will then have access to preventative and early health care.
- DKC also covers the majority of children's behavioral health care. Providing kids with prevention and early intervention behavioral health services are critical to their long-term mental health and the well-being of their families. In addition, access to these services will help control the mounting costs of inpatient psychiatric care.
- DKC is a good bargain for the State of Alaska. The federal government covers almost 70% of the cost of DKC making it an extremely affordable solution to the problem of children without access to health care.
- DKC will save the State of Alaska money in the long run. Children without health care get less preventative care, have much higher health risks and are four times more likely to use expensive emergency room care. Research shows that immunizations, annual visits to a doctor, dental care and screenings for vision, hearing and developmental disabilities are all long-term money savers for the health care system as a whole.
- DKC saves all Alaskans money. In 2004, Anchorage hospitals provided almost \$89 million in uncompensated care. These costs are passed on to Alaskan business and individuals in higher insurance premiums and out of pocket health care costs.