



2016 ANNUAL REPORT

FLORIDA HEALTHY KIDS
CORPORATION



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MORE FLORIDA CHILDREN COVERED THAN EVER BEFORE

The vision 25 years ago was big and bold. Healthier kids and families make communities stronger. The strategy was forward-thinking. Bring public and private partners together to expand access to affordable, high quality health insurance for all Florida children.

The Florida Healthy Kids Corporation was created to lead the way. The first children were soon enrolled in the Florida Healthy Kids program — bridging the health insurance gap among low-income children ages 5 through 18. Florida's four government-sponsored health insurance programs for children were then integrated under the Florida KidCare brand — achieving, for the first time, a continuum of child-centered health and dental care coverage from birth through the end of age 18.

In 2016, we continued our Silver Anniversary celebration of these remarkable milestones and reached yet another. More Florida children now have health insurance than ever before — 3.8 million statewide. Florida KidCare covers 63 percent or 2.4 million of these kids.

Leadership, tenacity and collaboration are among the tenets of our success. The Florida Healthy Kids Corporation Board, the Governor and Florida Cabinet, Florida Legislature, and our more than 250 community-based partners statewide are the driving force.

Still, an estimated 283,000 Florida children are uninsured with 60 percent or 172,000 potentially eligible for Florida KidCare. We remain focused on the mission.

Planning is underway to rollout a new, multi-channel marketing campaign in 2017 that reinforces Florida KidCare awareness statewide and strategically expands our reach into local communities with the most uninsured children. We are also raising Florida KidCare visibility through new promotional partnerships with schools, hospitals, community-based organizations and businesses.

At the national level, the future of the Children's Health Insurance Program (CHIP), including federal funding of CHIP programs like Florida Healthy Kids, continues to be debated. The Corporation



REBECCA MATTHEWS
Chief Executive Officer,
Florida Healthy Kids Corporation

remains actively engaged, ensuring Congress and the new presidential administration are aware of our position on the issues.

Our vision – comprehensive, quality healthcare services for all Florida children – is as relevant today as it was 25 years ago. Our approach is innovative. Our resolve is unwavering. Healthier kids continue to be our inspiration.

COMPREHENSIVE, QUALITY HEALTHCARE SERVICES FOR ALL FLORIDA CHILDREN

THE CORPORATION

The Florida Healthy Kids Corporation is a private, nonprofit organization created in 1990 by the Florida Legislature. We are mission-driven, collaborating with public and private partners statewide to ensure access to affordable, high quality health insurance for all Florida children. Our primary responsibilities include:

- ▶ **Administration of Florida Healthy Kids, a comprehensive health and dental insurance program for children from 5 through the end of age 18 who do not qualify for Medicaid.**
- ▶ **Marketing for Florida KidCare, the umbrella brand for the four government-sponsored health insurance programs serving Florida children including Medicaid, Florida Healthy Kids, MediKids and the Children's Medical Services Managed Care Plan.**

Florida Healthy Kids, MediKids and the Children's Medical Services Managed Care Plan together make up the federally authorized Children's Health Insurance Program (CHIP) in Florida. CHIP provides federal funding to states to subsidize health insurance for low-income children. The federal government establishes general guidelines for CHIP implementation, but each state designs and operates its own program.

Florida is a national model, unifying our CHIP and Medicaid programs under the Florida KidCare brand. This one-of-a-kind approach ensures there is no wrong door to health insurance and a seamless continuum of coverage for Florida's children. Florida KidCare enrollment is open year-round, so the time for families to apply is always now.

THE BOARD

The Corporation is governed by a 13-member board of directors chaired by the Chief Financial Officer of Florida or a designee. Other members may be appointed to provide additional subject matter expertise.

OFFICERS

Wendy Link: Chair

Peter Claussen, D.D.S.: Florida Dental Association Representative, Vice Chair

Philip Boyce: Florida Hospital Association Representative, Secretary/Treasurer

Tommy Schechtman, M.D.: Florida Pediatric Society Representative

Justin Senior: Secretary, Florida Agency for Health Care Administration

Penny Taylor: Designee, Florida Department of Education

MEMBERS

Jose Armas, M.D.: Child Health Policy Expert Representative

Jeri Flora Culley: Designee, Florida Department of Children and Families

George Hutter, M.D.: Florida Academy of Family Physicians Representative

Beth Kidder: Deputy Secretary for Medicaid, Florida Agency for Health Care Administration

Chip LaMarca: County Commissioner, Broward County

Celeste Philip, M.D.: Surgeon General and Secretary, Florida Department of Health

Mansoor Salari, M.D.: Children's Medical Services Representative, Florida Department of Health

AD HOC MEMBERS

Tami Cullens

Steve Freedman, Ph.D.

David Leidel

Henry Martell

Paul Whitfield

EXECUTIVE STAFF

Rebecca Matthews: Chief Executive Officer

Jeff Dykes: Chief Financial Officer

Austin Noll: Chief Operating Officer

Joseph Davis: Chief Marketing Officer

Steven Malono: Corporate Counsel

COVERED KIDS REACHES NEW HIGH

More Florida children are insured today than ever before — a record 3.8 million statewide. The Corporation and our Florida KidCare partners are leading the way with 63 percent or 2.4 million of these children now covered by one of the four Florida KidCare programs. Florida KidCare is also the foundation for pediatric healthcare in the state, covering nearly two out of every three children.

According to the most current national data, between 2013 and 2015, the percentage of uninsured children in Florida dropped from 11.1 percent in 2013 to 6.9 percent in 2015 — the second largest percentage reduction in the nation. During this same period, Florida cut the number of uninsured children nearly in half from 445,000 to 283,000 and increased the number of insured children by more than 235,000 or 6.5 percent.

While tremendous progress has been made, an estimated 283,000 Florida children remain uninsured with as many as six in 10 of these children — 172,000 in all — potentially eligible for subsidized coverage under Florida KidCare. For the estimated 111,000 children who may not qualify for subsidized coverage, Florida KidCare also offers competitively priced full-pay options.

Our work continues.

REFERENCES

All references in this 2016 Annual Report are based on the most current data available as of December 2016 and annual increases / decreases compare December 2015 and December 2016, unless specifically stated otherwise. Enrollment statistics are generally reported as of the first of the month.

Florida Healthy Kids Corporation and Florida Healthy Kids Program: Section 624.91, Florida Statutes | healthykids.org

Children's Health Insurance Program: Title XXI, Social Security Act | www.medicaid.gov/chip

2016 HIGHLIGHTS | RISING TO THE CHALLENGE

In 2016, the Florida Healthy Kids Corporation reached new milestones, advanced new policy, tested new marketing techniques and formed new partnerships. It was a year of proactive and positive change.

Highlights include:

- ▶ Record 3.8 million children now have health insurance with 2.4 million – nearly 63 percent – covered by one of the four Florida KidCare programs.
- ▶ Florida KidCare enrollment grew by 58,000 children or 2 percent, including an 8 percent jump in children insured by Florida Healthy Kids.
- ▶ The Florida Legislature made healthcare more accessible, waiving the previous five-year Florida KidCare waiting period for lawfully residing immigrant children and insuring 15,600 newly eligible children within the first six months.
- ▶ Implementation of a new data-driven, multicultural marketing campaign, featuring Hispanic television and radio advertising and high-impact digital messaging.
- ▶ Collaborative focus on quality of care among Florida Healthy Kids health plans, achieving performance improvement in 19 of 27 selected national measures.
- ▶ Satisfied customers with 94 percent willing to recommend Florida Healthy Kids to family and friends.
- ▶ New data analytics to support decision making and advance performance improvement enterprise wide.
- ▶ A Corporation that remains financially strong and well-positioned to insure more children.

UNDERSTANDING FLORIDA KIDCARE

Florida KidCare is the integrated brand used to promote and coordinate enrollment in the four different government-sponsored programs that together provide a continuum of affordable, high quality health insurance.

Eligibility for subsidized coverage, where the government pays all or most of the costs for the child, is based on family income as a percentage of the federal poverty level; the age of the child; and for a small number of children, special medical conditions. The federal poverty level is calculated based on family income and the number of household members. Families who earn less than 200 percent of the federal poverty level generally qualify for subsidized coverage. For families who earn more and do not qualify for subsidized coverage, Florida KidCare offers competitively priced full-pay options.

There are many ways families can apply: online at floridakidcare.org or healthcare.gov, by mail, by telephone, or in person with an application assister. Applications are accepted and enrollment is continuous year-round. Children are enrolled for 12 available months, after which eligibility is reverified through a renewal process.

Healthcare services are provided through contracted health and dental plans, delivered through provider networks and coordinated by a primary care doctor selected by the family. The plans and providers are held to high standards of quality, accessibility and customer satisfaction. The plans and corresponding provider networks vary based on the Florida KidCare program and geographic area.

All four Florida KidCare programs provide the comprehensive medical, dental and vision services that children need at each stage of their growth and development. Services for all four programs vary.

Covered medical services include, but are not limited to:

- ▶ Primary care and well-child care including routine screenings and vaccinations
- ▶ Specialist visits
- ▶ Hospital inpatient medical and surgical care
- ▶ Emergency room and ambulance services
- ▶ Diagnostic testing
- ▶ Prescription drugs
- ▶ Prenatal care and delivery
- ▶ Rehabilitative services including physical, occupational, respiratory and speech therapies
- ▶ Chiropractic services
- ▶ Podiatry services
- ▶ Behavioral health services
- ▶ Substance abuse services
- ▶ Vision testing and corrective lenses
- ▶ Hearing aids
- ▶ Organ transplants
- ▶ Durable medical equipment and prosthetic devices
- ▶ Skilled nursing facility services
- ▶ Home health services
- ▶ Hospice services

Covered dental services include, but are not limited to:

- ▶ Preventive services including office visits, cleanings, topical fluoride, sealants and spacers
- ▶ X-rays
- ▶ Fillings and crowns
- ▶ Oral surgery including extractions, treatment of diseases, injuries, deformities and defects
- ▶ Endodontic services including root canals
- ▶ Removable prosthodontics including dentures
- ▶ Orthodontic services including braces
- ▶ Analgesia and sedation
- ▶ Medications
- ▶ Palliative treatment to relieve pain and discomfort on an emergency basis
- ▶ Hospitalization if the child cannot be safely treated in the dental office

Upon determination of eligibility, children are automatically placed in one of the four Florida KidCare programs for which they qualify:

Medicaid for children is fully subsidized, providing health insurance coverage at no cost for children from birth through the end of age 18. Medicaid is the largest of the four Florida KidCare programs, serving 2.2 million children as of calendar year end 2016.

Florida Healthy Kids has a subsidized plan for children 5 through the end of age 18 whose families exceed the income eligibility threshold for Medicaid. For as little as \$15 or \$20 per month plus small co-pays, the subsidized plan provides health, dental and vision coverage for all children in the household. For those not eligible for subsidized coverage, Florida Healthy Kids offered two full-pay options in 2016: the Stars plan at \$220 per month per child, including dental, with higher out-of-pocket costs; and effective until December 31, 2016, the Stars Plus plan at \$299 per month per child, including dental, with small co-pays but no deductibles or coinsurance. By year end, 156,000 children were enrolled in the subsidized plan and 11,300 children were enrolled in the full-pay plan.

Children's Medical Services Managed Care Plan provides coverage for children from birth through the end of age 18 with special healthcare needs that meet both clinical and financial eligibility requirements. Families pay \$15 or \$20 per month plus small co-pays.

MediKids covers children from age 1 through the end of age 4 from families exceeding the income eligibility threshold for Medicaid. Similar to Florida Healthy Kids, MediKids offers a subsidized plan that covers all children in the household for \$15 or \$20 per month with no co-pays; and a full-pay plan for \$157 per month per child. The MediKids plan offering is identical to that of Medicaid for children. By year end, there were 24,000 children enrolled in the subsidized plan and 6,200 enrolled in the full-pay plan.

NOTE: Some exceptions to the age guidelines apply for Medicaid and Children's Medical Services Managed Care Plan.

FLORIDA KIDCARE PARTNERS

THE CORPORATION AND STATE AGENCY PARTNERS HAVE SHARED RESPONSIBILITIES FOR FLORIDA KIDCARE.

Florida Healthy Kids Corporation | FHKC

- ▶ Administers Florida Healthy Kids including procurement and management of the health and dental plan contracts;
- ▶ Statutorily mandated to promote Florida KidCare; and
- ▶ Contracts with a third-party administrator to provide Florida KidCare services including eligibility screening for Medicaid; eligibility determinations for Florida Healthy Kids, MediKids and Children's Medical Services Managed Care Plan; participant premium collection, refund processing and related banking functions; financial reporting for receipt of government subsidies; and call center operations.

Florida Department of Children and Families | DCF

- ▶ Performs Medicaid eligibility determination; and
- ▶ Administers the Behavioral Health Network in conjunction with the Florida Department of Health, Children's Medical Services.

Florida Agency for Health Care Administration | AHCA

- ▶ Administers Medicaid and MediKids including procurement and management of the health and dental plan contracts;
- ▶ Serves as primary Florida contact with the Centers for Medicare and Medicaid Services, the federal agency that administers Medicaid and CHIP;
- ▶ Distributes federal funds for CHIP;
- ▶ Manages contract with the Florida Healthy Kids Corporation to provide CHIP administration; and
- ▶ Develops and maintains the CHIP Florida State Plan.

Florida Department of Health, Children's Medical Services | DOH

- ▶ Administers Children's Medical Services Managed Care Plan for children with special healthcare needs.

REFERENCES

Florida Healthy Kids Corporation and Florida Healthy Kids Program: Chapter 624.91, Florida Statutes | healthykids.org

Florida KidCare: Chapter 409, Part II, Florida Statutes | floridakidcare.org

Florida Medicaid / MediKids / Children's Medical Services Managed Care Plan: Chapter 391, Florida Statutes | myflfamilies.com

Federal Medicaid: Title XIX, Social Security Act | medicaid.gov

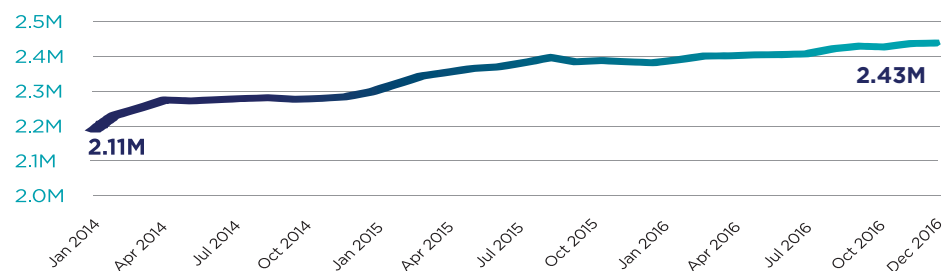
Federal Children's Health Insurance Program (CHIP): Title XXI, Social Security Act | medicaid.gov

FLORIDA KIDCARE ENROLLMENT



Florida KidCare enrollment patterns began to restabilize in 2016, following three years of enrollment shifts resulting from implementation of the federal Affordable Care Act (ACA). New growth was powered by a combination of new state policy and data-driven marketing and community outreach strategies. By year end, Florida KidCare grew by nearly 58,000 children or 2 percent.

FLORIDA KIDCARE ENROLLMENT JANUARY 2014 – DECEMBER 2016



SOURCES

Florida Healthy Kids Corporation and Agency for Health Care Administration, December 2016.
Enrollment statistics are generally reported as of the first of the month.

Includes CHIP (subsidized Florida Healthy Kids, subsidized MediKids and Children's Medical Services Managed Care Plan); full-pay (Florida Healthy Kids and MediKids); and Medicaid.

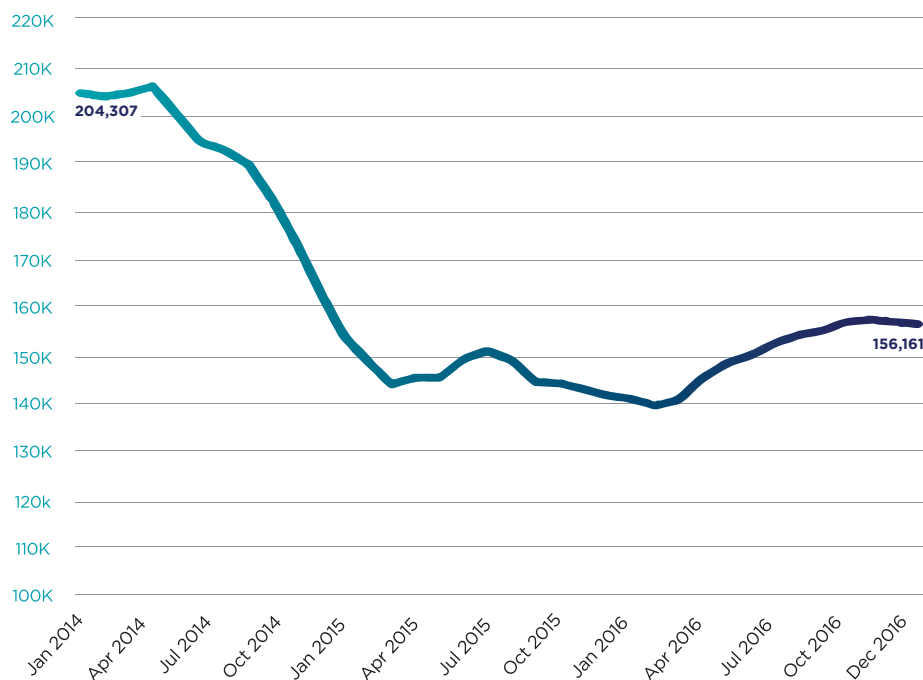
In 2016, enrollment grew by 57,795 children or 2 percent from 2.37 million to 2.43 million children.

Increase between 2014 and 2015 was primarily fueled by the federal Affordable Care Act (ACA) and related policy changes (including new subsidized income eligibility thresholds, new requirement that Americans obtain health insurance or face potential federal income tax penalties and new enrollment channels).

FLORIDA HEALTHY KIDS ENROLLMENT

Florida Healthy Kids subsidized enrollment rose steadily during 2016, increasing by 11 percent or 15,581 children. The ACA continued to adversely impact Florida Healthy Kids full-pay participation, triggering a decrease of 3,365 enrollees. By year end, however, total Florida Healthy Kids enrollment rebounded, increasing net 8 percent or 12,216 children and representing 21 percent of total Florida KidCare growth for the year.

FLORIDA HEALTHY KIDS | SUBSIDIZED PLAN ENROLLMENT JANUARY 2014 – DECEMBER 2016



SOURCES

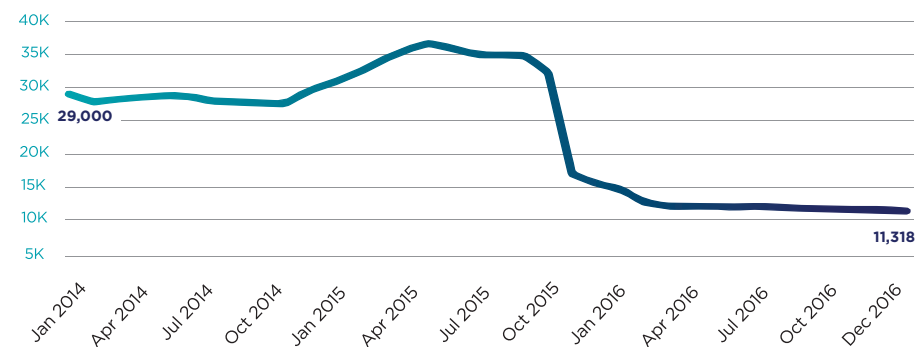
Florida Healthy Kids Corporation, December 2016.

Enrollment statistics are generally reported as of the first of the month.

In 2016, subsidized enrollment grew by 15,581 children or 11 percent from 140,580 to 156,161 children.

Decline between 2014 and 2015 was primarily attributed to the federal Affordable Care Act (ACA) and related policy changes (including the transition of children from families with incomes between 100 percent and 133 percent of the federal poverty level from Florida Healthy Kids and MediKids to Medicaid). As more children moved into Medicaid, Florida Healthy Kids subsidized enrollment decreased 31 percent.

FLORIDA HEALTHY KIDS | FULL-PAY PLAN ENROLLMENT JANUARY 2014 – DECEMBER 2016



SOURCES

Florida Healthy Kids Corporation, January 2017.

Enrollment statistics are generally reported as of the first of the month.

In 2016, full-pay enrollment declined by 3,365 children or 23 percent from 14,683 to 11,318 children.

Decline between 2014 and 2015 was primarily the result of plan changes and price increases in the insurance market triggered by the federal Affordable Care Act (ACA). During this period, Florida Healthy Kids full-pay enrollment dropped 49 percent.

POLICY, MARKETING AND COMMUNITY OUTREACH

NEW STATE POLICY EXPANDS ACCESS

The 2016 Florida Legislature took an important step forward in making healthcare more accessible by waiving the requirement that lawfully residing immigrant children must wait five years before applying for Florida KidCare.

Effective July 1, the new policy had a direct and measureable impact on reducing the number of uninsured children in Florida. In the first 90 days, more than 9,243 new children enrolled in Florida KidCare. By calendar year end — six months into the new campaign, 15,600 children gained health insurance through the program.

The Corporation led the development and implementation of a highly targeted, multi-channel promotional campaign in English and Spanish to educate families about the policy change and the benefits of Florida KidCare. Television, radio and digital advertising was strategically placed in markets with the highest concentrations of uninsured lawfully residing immigrant families, including South Florida, Orange and Hillsborough counties. A press conference, news releases and more than 30 interviews generated statewide media coverage. Community partners were engaged in local outreach to newly eligible families. Digital advertising spiked broad market direct response to the Florida KidCare website and call center.

Through a series of letters, emails and telephone calls, the Corporation communicated directly with approximately 18,000 families who had recently applied but were denied coverage and with families who had citizen siblings already enrolled in Florida KidCare. The Corporation also collaborated with the federal Centers for Medicare and Medicaid Services to identify and contact families with children enrolled in the federal marketplace, *healthcare.gov*, who were previously subject to the waiting period and likely eligible for Florida KidCare.

The campaign continues into 2017, and Florida KidCare enrollment among lawfully residing Florida children is projected to continue to grow.

DATA DRIVES MARKETING AND OUTREACH

In 2016, the Corporation implemented a new data-driven approach to marketing and community outreach. Counties with the highest number of uninsured children were identified and segmented by zip code. With 46 percent of all uninsured Florida children living in Miami-Dade, Broward, Palm Beach, Orange and Hillsborough counties, promotion was concentrated in these communities to maximize target audience reach and return on investment.

UNINSURED FLORIDA CHILDREN | 283,000 5 HIGHEST COUNTIES

COUNTY	# OF TOTAL UNINSURED	% OF TOTAL UNINSURED
Miami-Dade	40,046	14%
Broward	28,963	10%
Palm Beach	23,439	8%
Orange	20,962	7%
Hillsborough	19,189	7%
TOTAL	132,599	46%

SOURCE

U.S. Census Bureau, 2015 American Community Survey, 1 Year Estimates Table DP03 – the most current data available as of December 2016.

New techniques were tested in 2016, including Hispanic television, radio and digital advertising focused in markets with high concentrations of Spanish speaking families with uninsured children. We also expanded our social media and digital footprint in English and Spanish through a series of Facebook, Google Search and family-friendly website display ads. Over a six-month period, these campaigns collectively yielded an estimated 23.5 million impressions.

Other 2016 marketing strategies included: new automated outbound telemarketing, providing another enrollment and renewal communication channel; earned media generated through news releases, opinion columns published in newspapers statewide, and proactive interviews; production and strategic distribution of marketing and promotional materials; and cooperative marketing with the contracted health and dental plans.

Because children may be enrolled in any of the Florida KidCare programs at any time during the year, marketing and community outreach is ongoing. Late summer, early fall is traditionally the peak promotional period for Florida KidCare with children headed back to school and open enrollment underway for most other health insurance plans.

The Corporation capitalizes on market momentum during this period with a back-to-school themed campaign. Through partnerships with school districts statewide, we send a Florida KidCare postcard home with students, share program information with eligible families through school nurses and coaches, and raise awareness through school sponsored events, emails, newsletters, websites and other communication channels.



COMMUNITY OUTREACH

The Corporation collaborates with more than 250 local partners including health agencies, hospitals, nonprofit, faith-based and youth-centric organizations to directly connect with families of uninsured children in the neighborhoods where they live. These partners provide grassroots application assistance, represent Florida KidCare at community events, and recruit and train other local champions.

To encourage continued innovation among our community outreach partners and expand awareness in underserved markets, the Corporation sponsors community outreach grants. In 2016, the Corporation funded nine annual community outreach grant projects and nine short-term back-to-school grants. The grants are managed through a contracted partnership with Florida Covering Kids and Families, a nonprofit organization affiliated with the University of South Florida that advocates for expanded health insurance and shares best practices for community outreach, enrollment, retention and utilization.

This year, the Corporation further enhanced our digital toolkit, providing our partners with email, newsletter and website content, brochures and other easy to download promotional resources. The toolkit is improving message consistency, increasing message reach and response, and reducing the reliance on and cost of traditional printed materials.

During the year, our partners represented Florida KidCare at more than 1,000 local events and provided application assistance to thousands of families. Innovative community outreach strategies included sponsoring events with faith-based organizations and other trusted community partners to expand program awareness, using technology including tablets to expedite the application process upon first inquiry, and continuous follow-up throughout the application process to complete enrollment.

ANNUAL GRANT PARTNERS	COUNTIES COVERED
90Works	Holmes, Jackson, Okaloosa, Santa Rosa, Walton, Washington
Family Healthcare Foundation	Hillsborough, Pasco, Pinellas, Polk
Florida Department of Health / Broward County	Broward
Florida Department of Health / Union County	Alachua, Bradford, Columbia, Hamilton, Marion, Union
Health Council of Southeast Florida	Indian River, Martin, Okeechobee, St. Lucie
Health Planning Council of Southwest Florida	Collier, Desoto, Glades, Hendry
Lee Memorial Health System	Lee
United Way of Brevard	Brevard
Volusia County School District	Volusia

BACK-TO-SCHOOL GRANT PARTNERS	COUNTIES COVERED
Boys and Girls Clubs of Central Florida	Orange
Brevard Health Alliance	Brevard
Central Florida Healthcare	Polk, Hardee, Highlands
Communities In Schools of Palm Beach	Palm Beach
Health Council of South Florida	Miami-Dade
Leesburg Center for the Arts	Lake
Suwannee River Area Health Education Center	Alachua, Columbia, Marion, Sumter, Suwannee, Hamilton, Lafayette, Bradford, Union
United Way of Central Florida	Polk, Hardee, Highlands
United Way of Collier County	Collier



QUALITY COMES FIRST

Quality is our cornerstone. The Florida Healthy Kids health and dental plans are contractually held to high standards, and plan performance is continuously monitored.

Each year, a comprehensive quality of care evaluation and a member satisfaction survey are conducted to benchmark performance of each plan and the program as a whole against national standards. The results become the basis for required performance improvement projects at the plan level.

QUALITY OF CARE EVALUATION

The annual quality of care evaluation focuses on the level of access, use and effectiveness of covered services under the Florida Healthy Kids health and dental plans.

The evaluation is based on the nationally accepted Healthcare Effectiveness Data and Information Set (HEDIS) — the same data and rigorous methodology used to measure the performance of more than 90 percent of America's health plans.

In total, the Corporation tracks 27 HEDIS measures that directly correlate to the health of children including:

- ▶ Access to and availability of primary care;
- ▶ Use of well-child visits;
- ▶ Prevention and screening including immunizations and weight assessment;
- ▶ Testing and treatment for respiratory conditions common among children including asthma;
- ▶ Behavioral healthcare including attention-deficit / hyperactivity disorder (ADHD) medication; and
- ▶ Annual dental visits.

For the most current HEDIS reporting period, the composite performance of all plans improved in 19 of the 27 selected measures, including all three use of services and all six prevention and screening measures.


















Among the Florida Healthy Kids health plans, well-child visits for children ages 3-6* was targeted as the priority performance improvement metric for all the health plans. Collectively the health plans demonstrated significant improvement, increasing well-child visits 5.5 percent to 68.3 percent of all children enrolled — a new five-year high. Other significant quality of care improvements included a 39.3 percent jump in weight assessment and counseling.

Dental health is a primary determinant of overall child health; therefore, annual dental visits was identified as the priority performance improvement metric for the dental plans. For the most current HEDIS reporting period, annual dental visits continued to hover close to 60 percent of all enrollees.

The Corporation contracts with the Institute for Child Health Policy at the University of Florida to conduct the evaluation and provide subject matter oversight of the performance improvement projects.

*Florida Healthy Kids covers children starting at 5 years old through the end of age 18; therefore, this measure includes only children ages 5 and 6.

FLORIDA HEALTHY KIDS | SELECTED QUALITY MEASURES

	MEASURE	2015	BENCHMARK	Δ 2014
ACCESS AND AVAILABILITY OF CARE	Children and Adolescents' Access to Primary Care Practitioners (CAP)			
	5-6 Years Old	88.1%		+4.7%
	7-11 Years Old	94.0%		+1.1%
	12-19 Years Old	92.1%		+1.4%
	Prenatal and Postpartum Care (PPC) (Hybrid)			
	Timeliness of Prenatal Care	72.2%		+17.4%
	Postpartum Care	41.7%		-13.1%
	Initiation & Engagement of Alcohol & Other Drug Dependence Treatment (IET)			
	Initiation: 13-17 Years Old	37.3%		-5.5%
	Engagement: 13-17 Years Old	5.0%		-2.9%
USE OF SERVICES	Annual Dental Visits (ADV)	59.9%		-0.5%
	Well-Child Visits in the 3rd, 4th, 5th, and 6th Years of Life (W34)*	68.3%		+5.5%
	Adolescent Well-Care Visits (AWC)	59.5%		+2.5%
	Frequency of Ongoing Prenatal Care (81% or more of expected visits) (FPC) (Hybrid)	47.2%		+2.0%
EFFECTIVENESS OF CARE - PREVENTION AND SCREENING	Chlamydia Screening in Women, 16-20 Years (CHL)	44.7%		+3.2%
	Human Papillomavirus Vaccine for Female Adolescents (HPV) (Hybrid)	23.8%		+1.6%
	Immunizations for Adolescents (IMA): Combination (Tdap/Td and Meningococcal) (Hybrid)	76.8%		+5.2%
	Immunizations for Adolescents (IMA): Tdap/Td (Hybrid)	93.2%		+2.5%
	Immunizations for Adolescents (IMA): Meningococcal (Hybrid)	77.8%		+4.7%
	Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents (WCC) - BMI Percentile Documentation (Total) (Hybrid)	57.0%		+39.3%

*Florida Healthy Kids covers children starting at 5 years old through the end of age 18; therefore, this measure includes only children ages 5 and 6.

FLORIDA HEALTHY KIDS | SELECTED QUALITY MEASURES

	MEASURE	2015	BENCHMARK	Δ 2014
EFFECTIVENESS OF CARE - RESPIRATORY CONDITIONS	Appropriate Testing for Children with Pharyngitis (CWP)	75.7%	✓	+1.0%
	Appropriate Treatment for Children with Upper Respiratory Infection (URI)	88.1%	✓	+2.2%
	Asthma Medication Ratio (AMR)			
	5-11 Years Old	86.9%	●	+1.3%
	12-18 Years Old	71.6%	●	-0.1%
	Medication Management for Asthma: ≥ 75% of treatment period (MMA)			
	5-11 Years Old	36.0%	●	+13.6%
	12-18 Years Old	30.4%	●	+7.9%
EFFECTIVENESS OF CARE - BEHAVIORAL HEALTH	Follow-Up Care for Children Prescribed ADHD Medication (ADD): Initiation	34.1%	●	-2.3%
	Follow-Up Care for Children Prescribed ADHD Medication (ADD): Continuation and Maintenance	43.3%	●	+2.3%
	Follow-Up after Hospitalization for Mental Illness (FUH): 7 Days	41.3%	●	-2.7%
	Follow-Up after Hospitalization for Mental Illness (FUH): 30 Days	62.5%	●	-1.4%

Above National HEDIS Benchmark:

- 75th and above;
- ✓ 74.9th to 50th

Below National HEDIS Benchmark:

- 49.9th to 25th;
- Below 25th

SOURCES

Executive Report for the Florida Healthy Kids Corporation: A Comprehensive Analysis Across Contract Activities, Year Four Update: 2015-2016 Evaluation Period, Institute for Child Health Policy, University of Florida.

Based upon the normal distributions of all data submitted. Because no comparable CHIP health plan data is available, Florida Healthy Kids is compared to national benchmarks for Medicaid managed care entities. The actual national percentiles are not published and change annually.

Represents utilization data for calendar year 2015 - the most current data available - for all Florida Healthy Kids subsidized and full-pay enrollees.



MEMBER SATISFACTION

Member satisfaction with the subsidized Florida Healthy Kids health and dental plans, from the perspective of parents, is surveyed annually using the national Consumer Assessment of Healthcare Providers and Systems (CAHPS). The survey is conducted for the Corporation by the Florida Agency for Health Care Administration.

The 2016 results reveal that most families are satisfied with their subsidized Florida Healthy Kids plan. Of the 460 families responding, 94 percent indicated that they would recommend their health plan to family and friends, and 90 percent would select their current plan again.

FLORIDA HEALTHY KIDS | CUSTOMER EXPERIENCE SURVEY

COMPOSITE MEASURE	FHK 2016	FHK 2015	Florida KidCare 2016
Easy to Get Needed Care	79%	74%	81%
Easy to Get Care Quickly	90%	89%	89%
Doctors Communicate Well	94%	89%	93%
Health Plan Customer Service Helpful	85%	89%	86%
Positive Experience with Child's Personal Doctor	87%	85%	88%
Shared Decision Making	63%	81%	73%
OVERALL PLAN / PROVIDER SATISFACTION			
Healthcare Experience	66%	70%	69%
Personal Doctor	74%	75%	77%
Specialists	64%	75%	72%
Health Plan Experience	54%	65%	68%

SOURCE

Ratings, All Florida Counties, Plan Type: Healthy Kids HMO. Includes only Florida Healthy Kids (FHK) subsidized plan enrollees.

Of the six composite survey measures, the percentage of respondents who reported that they were able to get care quickly increased, reaching 90 percent of all those surveyed. The five other composite measures and the four overall plan and provider related satisfaction measures dipped slightly with the decline attributed to ACA triggered plan and provider changes. While subjective, this parent experience survey points to opportunities for the Corporation to continue to improve program and plan level operations, the eligibility and enrollment process, and customer service experience.

PERFORMANCE IMPROVEMENT PROJECTS

The Corporation uses the federally required performance improvement project or PIP process to facilitate continuous improvement of the Florida Healthy Kids health and dental plans. Upon review of the HEDIS and CAHPS results from the prior year and year-over-year trends, the Corporation annually identifies a priority performance improvement project for all plans.

In 2016, the Corporation targeted the rate of well-child visits as a priority performance improvement measure for all the health plans, and the dental plans were again challenged to increase the percentage of annual dental check-ups. To rally our contracted health and dental plans around these goals and strategize ways to increase utilization of covered prevention and screening services, we convened a Quality Forum in the fall. Leading experts in child obesity, dental disease prevention and pediatric diabetes shared current research, and the plans discussed implementation of promising practices to continue to improve the health status of Florida Healthy Kids enrollees, including mobile health and dental units, telemedicine, wellness events and community gardening.

OPTIMIZING OPERATIONAL EFFICIENCY

ADMINISTRATIVE IMPROVEMENT

The Corporation contracts with a third-party administrator to support Florida KidCare operations and customer services. In 2016, our customer care center processed 342,000 enrollment applications and completed 650,000 eligibility determinations; responded to an estimated 1.68 million incoming fax, mail, email and telephone inquiries; and mailed more than 1.73 million customer notices, statements and other correspondence.

Committed to continuous performance improvement, we took several important first steps this year to further optimize efficiency across all operational business units.

We formed a new data analytics team to improve our ability to capture and analyze internal and external data to support business decision making and process improvement. Initial focus areas for this new team include:

- ▶ Development of a centralized data repository to streamline data collection and research and enable the distribution of content, including enrollment and uninsured statistics by zip code, in easily digestible and accessible dashboards;
- ▶ Automation of internal reports to provide real time insight into day-to-day operations and produce new trend analyses; and
- ▶ New methods for tracking and measuring return on investment of marketing and community outreach activities.

Customer engagement was another process improvement priority for the Corporation in 2016. Initiatives included expanded use of email and automated telephone messaging to notify customers about important deadlines and policy changes and to communicate reminders about plan benefits. To further streamline and simplify

the customer experience, the Corporation and our Florida KidCare partners convened a new task force to review and update all customer correspondence to eliminate process duplication and ensure message consistency.

In parallel, the Corporation launched a series of special projects analyzing:

- ▶ Alignment of staff including scope of work, cross training of critical functions and establishing new performance measures;
- ▶ Monitoring and reporting of health plan, dental plan, and the third-party administrator performance metrics; and
- ▶ Use of new technologies to advance operational efficiency and reduce costs.

KEEPING KIDS ENROLLED

The Corporation continually implements new strategies to limit potential coverage gaps because of a simple missed step in the renewal process or a late payment. Two of the most effective approaches for keeping kids continuously enrolled include administrative renewal and automatic payment of plan premiums.

Administrative renewal allows families to maintain coverage during the renewal process, simply by verifying the eligibility information included in their renewal notice and continuing to pay their monthly premium. If the information is correct, families no longer have to fill out forms or provide documentation. The Corporation does the leg work, using electronic data to verify eligibility for the customer. Seven in 10 Florida KidCare families currently renew through this streamlined process.

To mitigate potential loss of coverage due to a forgotten or late payment, customers may authorize automatic withdrawal of their monthly premium from a checking or savings account. A convenient service for customers, auto pay also reduces Corporation administrative costs associated with manual handling of paper checks. To encourage families to sign up for auto pay, the Corporation waives the \$1.50 per payment processing fee for the first year.

HEALTH PLANS UPDATES

Florida families have access to Florida Healthy Kids health insurance coverage on a subsidized or full-pay basis, depending on income and household size.

There were four contracted subsidized health plans in 2016: Amerigroup, Coventry Healthcare of Florida, Staywell Kids and UnitedHealthcare Community Plan. At least two subsidized plan options were offered in every Florida county.

In 2016, Sunshine State Health continued as the sole full-pay provider for Florida Healthy Kids, offering two plan options statewide: the Stars plan at \$220 per month per child, including dental, with higher out-of-pocket costs; and the Stars Plus plan at \$299 per month per child, including dental, with small co-pays but no deductibles or coinsurance.

With the ACA continuing to adversely impact premiums industry wide, the Corporation took steps in June 2016 to retire the Stars Plus option effective December 31, 2016. Stars Plus members were immediately notified, and coverage was maintained with no premium change until December 31, giving families six months to consider moving to the Stars option, the federal marketplace, the private market or employer sponsored coverage. Of the 9,624 children enrolled in Stars Plus, 77 percent transitioned to the Stars option by calendar year end.



FLORIDA HEALTHY KIDS | 2016 SUBSIDIZED HEALTH PLANS DECEMBER 2016

PLAN	# CHILDREN	# COUNTIES	COUNTIES
Amerigroup	47,789	11	Brevard, Broward, Hardee, Highlands, Manatee, Miami-Dade, Monroe, Orange, Osceola, Polk, Seminole
Coventry*	38,652	58	Alachua, Bay, Bradford, Brevard, Calhoun, Charlotte, Citrus, Collier, Columbia, Desoto, Dixie, Escambia, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hendry, Hernando, Highlands, Hillsborough, Holmes, Indian River, Jackson, Jefferson, Lafayette, Lake, Lee, Leon, Levy, Liberty, Madison, Manatee, Marion, Martin, Miami-Dade, Monroe, Okaloosa, Okeechobee, Orange, Osceola, Palm Beach, Pasco, Pinellas, Polk, Putnam, St. Lucie, Santa Rosa, Sarasota, Seminole, Sumter, Suwanee, Taylor, Union, Wakulla, Walton, Washington
Staywell	61,733	58	Alachua, Baker, Bay, Bradford, Broward, Calhoun, Charlotte, Citrus, Clay, Collier, Columbia, Desoto, Dixie, Duval, Escambia, Flagler, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hendry, Hernando, Holmes, Indian River, Jackson, Jefferson, Lafayette, Lake, Lee, Leon, Levy, Liberty, Madison, Marion, Martin, Miami-Dade, Monroe, Nassau, Okaloosa, Okeechobee, Palm Beach, Pasco, Pinellas, Putnam, St. Johns, St. Lucie, Santa Rosa, Sarasota, Sumter, Suwanee, Taylor, Union, Volusia, Wakulla, Walton, Washington
UnitedHealthcare	7,987	7	Baker, Clay, Duval, Flagler, Nassau, St. Johns, Volusia

*Effective February 27, 2017, Coventry will become Aetna Better Health of Florida.

FLORIDA HEALTHY KIDS | 2016 FULL-PAY HEALTH PLAN DECEMBER 2016

PLAN	# CHILDREN	# COUNTIES	COUNTIES
Sunshine State Health	11,318	67	All Florida Counties

FLORIDA HEALTHY KIDS | 2016 DENTAL PLANS DECEMBER 2016

PLAN	# CHILDREN	# COUNTIES	COUNTIES
Argus Dental	27,057	67	All Florida Counties
DentaQuest	71,775	67	All Florida Counties
MCNA Dental	66,722	67	All Florida Counties

FINANCIALLY SOUND AND POSITIONED TO GROW

THE CORPORATION REMAINS FINANCIALLY SOUND AND WELL-POSITIONED TO CONTINUE TO EXPAND HEALTH INSURANCE COVERAGE TO MORE FLORIDA CHILDREN.

For the fiscal year ending June 30, 2016, revenue exceeded \$313 million, including \$212.9 million in federal and \$25.5 million in state funding. Expenditures totaled \$315.4 million with insurance premiums and third-party administrative costs for the Florida Healthy Kids subsidized and full-pay plans representing \$309.7 million or 98.2 percent of spending. The Corporation continued to maximize efficiency and return on investment enterprise wide with combined administrative costs — including personnel, operations and Florida KidCare marketing — representing less than 2 percent of total expenditures.

The Corporation is funded primarily by federal and state dollars. The federal contribution rate is established by Congress in Title XXI of the Social Security Act and increased from 71.8 percent to 95.47 percent effective October 2015. As a result, one state dollar currently draws down approximately 24 federal dollars. State funding is annually appropriated by the Florida Legislature.

The annual budget is largely driven by projected enrollment in the Florida Healthy Kids program. Fluctuations in revenue and expenses over time are generally attributed to changes in federal and state policy, marketing and other factors that impact enrollment.

From July 2015 to June 2016, residual impacts of federal Affordable Care Act policy implementation on both Florida Healthy Kids subsidized and full-pay enrollment triggered a 10.7 percent decline in revenue and a 9.7 percent decrease in expenses. During this same

period, the fund net position dipped 10 percent from \$21.9 million to \$19.7 million. By third quarter 2015-16, Florida Healthy Kids enrollment began to rebound, resulting in month-over-month growth as the fiscal year came to a close.

To support this trending growth in the Florida Healthy Kids program, the approved budget for 2016-17 is \$324.6 million — a 2.9 percent increase over the prior year. Insurance premiums and third-party administrative costs for the Florida Healthy Kids program again represent the largest line item at \$318.5 million or 98.1 percent of the total budget.



FLORIDA HEALTHY KIDS CORPORATION | ANNUAL BUDGET SUMMARY

REVENUE (\$ IN MILLIONS)	2014-15 ACTUAL	2015-16 ACTUAL	CHANGE	2016-17 PROJECTED
Federal	\$190.50	\$212.90	11.70%	\$253.60
State	\$75.50	\$25.50	-66.20%	\$11.40
Participant Premiums	\$79.10	\$71.10	-10.10%	\$55.40
Other	\$5.60	\$3.70	-33.90%	\$4.20
TOTAL REVENUE	\$350.70	\$313.20	-10.7 %	\$324.60
EXPENSES (\$ IN MILLIONS)	2014-15 ACTUAL	2015-16 ACTUAL	CHANGE	2016-17 PROJECTED
Insurance Premiums and Expenses	\$343.40	\$309.70	-9.80%	\$318.50
Personnel	\$2.50	\$2.40	-0.04%	\$2.60
Operation / Marketing	\$3.30	\$3.30	0	\$3.50
TOTAL EXPENSES	\$349.20	\$315.40	-9.7 %	\$324.60
CHANGE FUND NET POSITION (\$ IN MILLIONS)	\$1.5	-\$2.2		

SOURCES

Florida Healthy Kids Corporation, January 2017.

Represents operating budget for the Florida Healthy Kids Corporation and the Florida Healthy Kids subsidized and full-pay plans. The three other Florida KidCare programs – Medicaid, MediKids and Children Medical Services Managed Care Plan – are funded separately.

Based on the state fiscal year – starting July 1 through June 30 of the following year.

Change in revenue and expenses from 2014-15 to 2015-16 was primarily attributed to the residual impact of the implementation of the federal Affordable Care Act (ACA) including the increase in the federal contribution rate effective October 1, 2015 and resulting decline in both Florida Healthy Kids subsidized and full-pay enrollment.

The 2016-17 projected budget is based on Florida KidCare Social Services Estimating Conferences and is subject to change.





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