



Enrollment Strategies to Maximize Enrollment in Health Care Coverage under PPACA

Prepared for Con Alma Health Foundation
and its Blueprint for Health New Mexico Advisory Network

By Nick Estes, NM Voices for Children
August 2011



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Introduction and Executive Summary

The Patient Protection and Affordable Care Act (or ACA) builds upon congressional efforts to maximize enrollment in publically supported health coverage programs. Congress took significant steps toward increasing enrollment of children in Medicaid and the Children's Health Insurance Program (CHIP) in 2009 with the passage of the CHIP Reauthorization Act (CHIPRA). CHIPRA added to the existing list of measures that states could adopt to streamline eligibility determinations and the application process. The legislation encouraged states to adopt these techniques by making incentive bonuses available, conditional on raising enrollment beyond certain targets and adopting at least five out of eight streamlining provisions. New Mexico did so, and has won an enrollment bonus in each of the two years since CHIPRA's passage.

There are a number of other steps New Mexico could take between now and January 1, 2014, that could maximize the insurance coverage of lower-income New Mexico children, families, and individuals. Many of these approaches involve maximizing the use of existing data concerning eligible families or individuals that are already on government data bases and can now legally be utilized, with proper privacy safeguards. Here is a list of possible new measures that could be taken in New Mexico:

1. Establish the use of online applications.
2. Telephone, online or in-person assistance after business hours.
3. Verify citizenship or immigration status through Social Security database.
4. Expand presumptive eligibility determinations to adults.
5. Expand 12-month continuous eligibility to adults.
6. Adopt express-lane eligibility determinations.
7. Use express-lane data to identify and reach out to eligible children, families, and individuals.
8. Verify income data electronically.

Discussion

1. Start Using Online Applications

Under ACA sections 1311 and 2201, each state must develop a website where individuals and families can learn about health insurance options, enter data about their own financial and family situations, determine whether they are eligible for Medicaid or subsidized insurance on the state exchange, and enroll in a plan. This will be required to be operational by January 1, 2014, but New Mexico should move toward online applications for Medicaid as soon as technically possible. A big advantage of electronic applications is that they allow consumers to fill out and electronically submit an application for health coverage at any time, including during non-work hours, which eliminates an enrollment barrier. Most of the people who will be newly eligible for coverage will be working or living in working families, so having the application available outside of business hours will be important. It will also not be necessary to make a trip to a New Mexico Human Services Department (NM HSD) office, or an exchange office or community-based organization.

In order for the online application process to reach consumers who don't speak English, it will be important that applications be available in multiple languages. All the vital information should also be available in multiple languages, including things like as the navigation buttons, Frequently Asked Questions, and guidelines.

2. Telephone, Online or In-Person Assistance after Business Hours

In addition to the availability of a simple online application, some consumers will need online, phone or in-person assistance while completing their online applications. Customer-service-oriented assistance available during non-work hours will be very important as more working people become eligible for Medicaid and premium credits in 2014.

ACA section 1311(i) provides for identifying community-based assistance—or “navigators”—to help people enroll in appropriate health insurance plans. Experience has shown that people often prefer to apply for public programs, such as Medicaid, at community-based organizations, as opposed to Medicaid offices.¹ Many of the uninsured people who are eligible for Medicaid but are not enrolled, or will become eligible for Medicaid or subsidized insurance in 2014, already have existing relationships with community organizations, including clinics or service providers, in their communities. These providers should encourage clients or patients to apply for health coverage and help them fill out the online applications. Some of these groups may become official “navigators” under ACA. Advocacy organizations and others in New Mexico will be happy to suggest community-based organizations that could help those who cannot complete their online applications by themselves.

3. Verify Citizenship or Immigration Status through Social Security Database

One of the provisions of CHIPRA allows state Medicaid agencies to verify citizenship or immigration status for children and parents applying for Medicaid and CHIP through an electronic data-match with the Social Security Administration (SSA). The majority of states have

taken advantage of this time- and labor-saving offer. New Mexico has not done so yet because the state's current data processing system is insufficient. But New Mexico should do so once the data capability is in place. In 2014, a new "federal data services hub" will be available to make information from the SSA and Department of Homeland Security available for all eligibility determinations.

4. Expand Presumptive Eligibility Determinations to All Adults

"Presumptive eligibility" means allowing applicants for Medicaid to receive services while their application for Medicaid is pending. The statutes permit states to train and authorize non-Medicaid employees to make temporary determinations with respect to children and pregnant women that an applicant is eligible, pending a complete determination in a month or two. New Mexico has been aggressive in authorizing non-HSD employees to make presumptive eligibility determinations, including community health workers ("promotoras"), clinics, and hospitals around the state. The ACA now permits states to use presumptive eligibility to temporarily enroll all eligible adults in Medicaid, and this is an option HSD should adopt as soon as possible.

5. Expand 12-Month Continuous Eligibility to Adults

CHIPRA authorized states to enroll children for one year of Medicaid or CHIP, without regard to any changes in family income or other circumstances for 12 months. This has the advantage of giving the family stability in the insurance coverage for their eligible children. In order to extend this approach to parents and other adults, the state must seek a Demonstration Waiver under 42 USC, section 1115. Since NM HSD is planning to consolidate its existing waivers into one new section 1115 waiver, this is a feature that should be included. If so, it will be possible to have the entire family's coverage start and be up for renewal on the same day each year, regardless of changes in family circumstances over that year. The convenience of such a system for families and HSD employees alike is obvious. (Even without continuous eligibility for adults, it still makes sense to have the entire family's renewal dates coincide.)

6. Adopt Express-Lane Eligibility Determinations

The term "express-lane eligibility" (ELE) was introduced by CHIPRA's section 203 as a method for making it easier to enroll children in Medicaid or CHIP. It means that data held by other government agencies may be used by the Medicaid agency—or, under the ACA, the state health insurance exchange—to identify individuals who may be eligible for Medicaid, CHIP or health insurance subsidies, evaluate their eligibility, and enroll them or renew their coverage. The state agency or exchange may only rely on findings from express-lane agencies designated by the state to conduct simplified eligibility determinations and facilitate enrollment of children in Medicaid and CHIP. (Under CHIPRA, ELE data may not be used to deny eligibility or renewal, however.)

NM HSD has estimated that there are about 62,000 New Mexico children who are currently eligible for Medicaid but are not enrolled.² Many of these low-income children participate in other public programs like SNAP or free or reduced-price school lunch and the

state should use enrollment data from those programs in targeted outreach efforts. If the administrative burden of enrolling in health coverage can be reduced through the use of data that are already available, these individuals may be more likely to participate.

Adoption of ELE in New Mexico would be completely consistent with the thrust of the new health care reform law. The ACA requires states to employ cross-program eligibility and enrollment mechanisms that minimize burdens on individuals and families to the “maximum extent practicable” (ACA section 1413[c][3]). Also, the ACA provides that express-lane eligibility is an alternative to the use of “modified adjusted gross income” (MAGI) to determine income eligibility for health subsidy program (ACA section 2002). ACA section 2901 requires Indian Health Service (HIS) and other facilities that serve Native Americans to be possible express-lane agencies.

Unless the state gets a waiver from the U.S. Centers for Medicare and Medicaid Services (CMS), ELE can only be used for determining Medicaid and CHIP eligibility for children. But CMS is considering granting demonstration waivers to permit the use of ELE for parents of children enrolled in Medicaid and CHIP. This could be very beneficial since studies show that both children and adults are more likely to enroll when the entire family can enroll. Since NM HSD is already planning to submit a new comprehensive section 1115 waiver request, this is a feature that should be included.

Maximizing the benefit of ELE requires the development of a highly integrated information system. But this is also consistent with the ACA, which, together with CHIPRA, is making great resources available to states to improve their data systems, both for Medicaid and for the new exchanges. CMS recently issued rules providing a 90 percent federal matching rate for state expenditures for the development of Medicaid eligibility and enrollment systems that meet specified standards and conditions, as well as a 75 percent matching rate for maintenance and operations of such systems. The CMS rules seek to maximize electronic connections among agency data bases, which will be perfect for ELE determinations.

There are other benefits to adopting an express-lane approach.

Using data on individuals that are already in electronic files could be very important to handle the mass enrollment that should occur prior to the opening of the health insurance exchange and expansion of Medicaid to low-income adults on January 1, 2014. New Mexico should make every effort to pre-enroll these newly eligible individuals during calendar year 2013 so that their coverage will kick in on the first of the year. Use of express-lane income and citizenship determinations could be critical to the success of this effort. For example, there are some 43,000 adults still enrolled in the State Coverage Insurance (SCI) program. In 2014, most of these individuals will become eligible for Medicaid, and the remainder will be eligible for subsidized insurance in the exchange. Their transition to the correct program should be handled electronically using existing information to the extent possible.

Similarly, many of the adults who will become eligible for Medicaid or subsidized exchange coverage in 2014 are parents of children who are enrolled in New Mexico Medicaid. For most of these families, the necessary eligibility information for the parents is already in the Medicaid system. In addition, many of the uninsured adults and children are enrolled in SNAP.

Again, all of these individuals have already provided the eligibility data needed to make a Medicaid determination under the ACA.

Available information could also be used to renew health coverage on a rolling basis as renewal for other public benefits programs comes up. For example, each time a family recertifies for SNAP, updated income and other eligibility could trigger an automatic renewal of Medicaid eligibility. Similarly, an individual's application for unemployment insurance should trigger a Medicaid eligibility review and provide most of the necessary eligibility data.

Express-lane methods can also be used to simplify the process of determining eligibility for families and individuals moving into New Mexico from other states. ACA provides greater uniformity of eligibility among the states. It should be possible to obtain eligibility information electronically, including information with federal databases, to make the process much easier and provide seamless insurance coverage.

7. Use Express-Lane Data to Identify and Reach Out to Eligible Children, Families and Individuals

States can *initiate* an eligibility determination for children under CHIPRA using the findings from other public agencies, provided the Medicaid agency obtains consent from parents or guardians before actually enrolling the children in coverage. For example, NM HSD could get information from school districts about children who are eligible for the free or reduced-price lunch program. They could then contact the parents of those children who are not enrolled in Medicaid and asked the parents or guardian for permission to sign them up. This same approach will be possible for adults in anticipation of the 2014 Medicaid expansion. To maximize enrollment and meet the objectives of CHIPRA and ACA, the state should take a proactive approach utilizing available data.

8. Verify Income Data Electronically

New Mexico is among the minority of states that still require paper documentation of income, such as pay stubs or letters from employers. Locating those documents is not always an easy process; it may involve contacting previous employers, time-consuming correspondence, and waiting for documents to arrive. This process can cause eligible individuals or families to delay or fail to complete their Medicaid applications. Using third-party electronic data to determine income-based eligibility for Medicaid and premium credits on the exchange will reduce the burden. New Mexico should explore state and federal databases that provide information relevant to the eligibility criteria for Medicaid as soon as reasonably possible, such as tax data (federal or state), data from the New Hire Reporting System, and data from the Income Eligibility Verification System to confirm income and employment history.

Conclusion

There are a number of steps New Mexico could (and should) take between now and the beginning of 2014 to maximize the number of people who enroll in public programs or subsidized health insurance on the new state exchange. Both the CHIP Reauthorization Act and the Affordable Care Act include numerous provisions designed to make it easier for states and the new state exchanges to enroll millions of individuals who are currently uninsured. This will provide enormous benefits to children, families and individuals in New Mexico and around the country, and we urge the state to move as quickly as possible to adopt these various strategies.

Endnotes

¹ Families USA, “Applying for Health Coverage Online: The Affordable Care Act Helps Americans Enroll” (March 2011).

² Testimony of Katie Falls, Secretary of NM HSD, April 23, 2010, before the NM Legislative Finance Committee.

Additional Resources

Georgetown Center for Children and Families, “Fulfilling the Promise of 2014: Aligning and Simplifying Medicaid and CHIP Enrollment for Children and Parents” (August 2011).

Urban Institute, “Implementing National Health Reform: A Five-Part Strategy for Reaching the Eligible Uninsured” (May 2011).

Kaiser Commission on Medicaid and the Uninsured, “Optimizing Medicaid Enrollment: Perspectives on Strengthening Medicaid’s Reach under Health Care Reform” (April 2010).

Kaiser Family Foundation, “Explaining Health Reform: Uses of Express Lane Strategies to Promote Participation in Coverage” (July 2011).

Families USA, “Applying for Health Coverage Online: The Affordable Care Act Helps Americans Enroll” (March 2011).