Medicaid and CHIP
MAC
Learning Collaboratives

Federally Facilitated Marketplace Eligibility & Enrollment Learning Collaborative

Year 2 Consults Analysis
Key Takeaways: Open Enrollment 2015

Date: September 3, 2015

Time: 1:30-2:30pm ET

Agenda

- Background and Methodology
- Key Takeaways
- Analysis of State Functionality
- Looking Ahead

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Purpose of Today's Meeting

- Review findings from the Year 2 Consults analysis that indicate where states stood at the end of 2014 and beginning of 2015 with regard to Medicaid/CHIP eligibility and enrollment policy, operations and systems functionality.
- Discuss process and priorities for monitoring and improving state eligibility and enrollment functionality in future years.

Background & Methodology

Year 2 Consults Overview

During **Q4 2014 and Q1 2015**, CMS conducted "Year 2 Consults" with State Medicaid Agencies that addressed eligibility and enrollment functionality (meaning, states' Medicaid eligibility and enrollment (E&E) policies, operations and information technology capabilities in relation to federal regulations and guidance)

Consult Categories

1) **Open Enrollment Operations**
2) **Core/Basic Functionality**
   - 2.0 - Application
   - 2.1 - Notices
   - 2.2 - Renewals
   - 2.3 - Changes in Circumstance
   - 2.4 - Interface with MMIS
   - 2.5 - MAGI-Based Eligibility Groups
   - 2.6 - Verification
   - 2.7 - Hospital Presumptive Eligibility
   - 2.8 - Retroactive Eligibility
   - 2.9 - Emergency Medicaid
   - 2.10 - Inmate Eligibility
3) **Year 1 Defect Resolution**
4) **Account Transfer Processing**
5) **Systems Security**
6) **Mitigation Plan to Support Year 2, Independent Verification & Validation, Financials and Advance Planning Document Status**
7) **Integrated Systems and Negative Actions**
8) **Performance Indicators**

Year 2 Consults Overview

- Information was obtained during the 2015 open enrollment period (OEP), and builds on CMS's evaluations of the 2014 OEP.
- Offers a **snapshot** of states' functionality at **a point in time**, and **did not take into account states' mitigation plans**.
- Both the Federally-facilitated Marketplace and states have continued to evolve and develop capabilities since the consults.
- Other vehicles for states and CMS to review eligibility and enrollment policy, operations and systems include State Plan Amendment discussions, Verification Plans, and gate reviews.
- This information provides a baseline against which to compare future state E&E functionality.

Standard Eligibility and Enrollment Definitions

Some terms used in the consult require more clear and consistent definitions, for example:

- "Dynamic" online application
- "Embedded" verifications
- "Ex parte " renewals

We have added a ★ next to key terms that require a more consistent understanding.

States and CMS staff may have different understandings of these terms, impacting whether states were categorized as having certain functionalities during the consults.

CMS is developing standard definitions to create a common language that can be used to discuss eligibility and enrollment functionality going forward.

Today's Focus

Manatt reviewed Year 2 Consult data, identified trends in state policy, operations and system functionality, and highlighted findings across key elements of eligibility and enrollment functionality.

Consult Categories for Review Today

1) Open Enrollment Operations
2) **Core/Basic Functionality**
   - 2.0 - Application
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   - 2.3 - Changes in Circumstance
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New: **Non-MAGI Eligibility & Enrollment**

3) Year 1 Defect Resolution
4) Account Transfer Processing
5) Systems Security
6) Mitigation Plan to Support Year 2, Independent Verification & Validation, Financials and Advance Planning Document Status
7) Integrated Systems and Negative Actions
8) Performance Indicators

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Key Takeaways

Key Takeaways

- **States' eligibility & enrollment systems and operations have evolved significantly the 2014 Open Enrollment Period toward the ACA's vision of a simple and seamless process.**
- **States have experienced remarkable progress, though challenges remain.**

Application: 98% of states made the application process more convenient and efficient by implementing an online application, almost 80% of which were described as "dynamic."

- States continued their work to embed verifications into the application process.

Notices: Over 80% of responding states reported being able to produce all major types of notices, but states noted they wished to improve the quality of their notices. 40% continued to develop the capacity to deliver notices electronically.

Renewals: Nearly 70% reported they had begun or planned to begin ex parte renewals, but several states suggested that their ex parte renewal systems still required improvements.

- 41% of responding states noted that they were still developing pre-population capabilities for online renewal

Key Takeaways

Verification: States connected to state and federal data sources in unprecedented ways, but continued to rely on manual processes to complete electronic verifications and documentation requests.

- 84% of responding states reported relying on state quarterly wage while only 50% of responding states reported using federal tax information through the Hub.

Non-MAGI Eligibility & Enrollment: While states generally reported robust functionality for MAGI-based eligibility determinations, many states' non-MAGI functionality was still under development.

- Legacy systems, manual workarounds, and county offices were often employed to handle non-MAGI applicants and enrollees.

Analysis of State Functionality

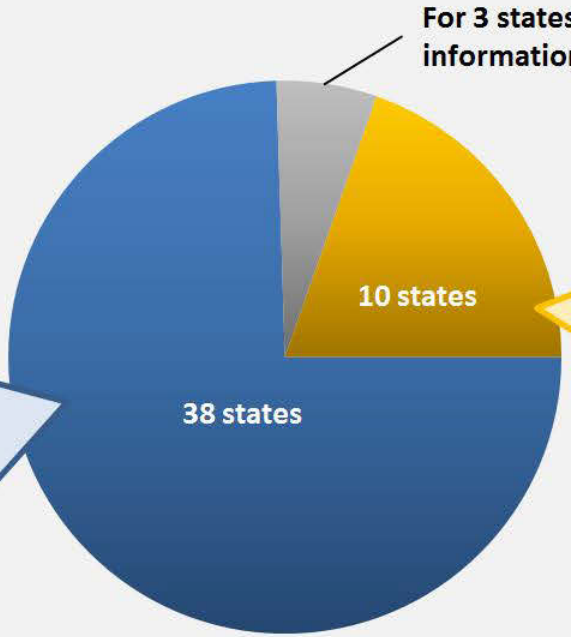
Key Findings: Dynamic Application

Does the state have a dynamic online application?

38 states reported they had a dynamic online application.

- Some of these states noted that portions of their application were not yet dynamic:
  - One state noted that their MAGI rules engine was not yet integrated.
  - Another state reported that the application logic did not yet direct applicants to Medicaid versus APTC questions.

❖ **8 of these states noted they anticipated full functionality in 2015 or 2016.**



10 states reported their online application was not yet fully dynamic.

Of the states that did not have fully dynamic online applications:

- 4 states indicated they had at least partial dynamic functionality.

❖ **8 of these states reported that they anticipated implementing full dynamic functionality in 2015.**

32 states reported they had logic in the application that used income attestation to determine whether to ask questions that are only needed for specific insurance affordability programs.

- 13 states reported they did not yet have this logic.

Key Findings: Embedded Verification

Are verifications embedded in the online application?

21 states reported they had embedded verifications in the online application.

Of the states that reported having embedded verifications in the online application:

- 5 states clarified that they had embedded federal hub services only.
- 4 states reported that they performed post-enrollment verification of income.

28 states indicated that they were working to embed verifications in the online application.

Of the states that noted they did not yet have embedded verifications in the online application:

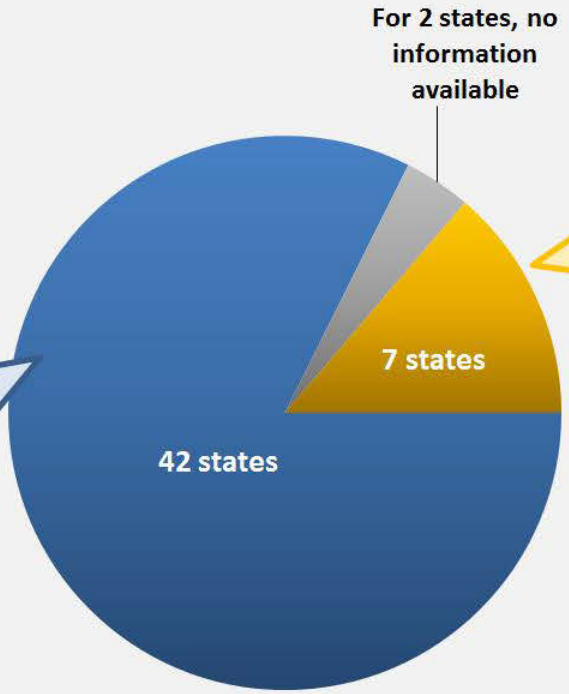
- Many states reported they verified all information after submission through a mixture of automated and manual processes.
- One state noted that it embedded Hub verifications.
- Two states indicated that they perform post-enrollment verification.
- Two states indicated that verifications occurred quickly enough after submission to be close to "real-time."

❖ **5 of these states indicated they anticipated functionality by 2015 or 2016.**

For 2 states, no information available

Key Findings: Telephonic Signature

Can the state take a telephonic signature on a phone application?



42 states reported that they accepted telephonic signature over the phone.

- 3 states explained that they recorded telephone signatures in the applicants' files.

7 states responded that they could not yet accept telephonic signature over the phone.

- **3 of these states indicated that they anticipated this functionality by the end of 2015.**

Key Findings: Notices Production

Can the state produce each of the following types of notices for Medicaid and separate CHIP: approval, denial at application, termination and requests for additional information?

42 states reported they produced all notice types.

4 states noted they could produce some, but not all, notice types.

The Expanding Coverage Learning Collaborative developed and published a Medicaid Model Eligibility Notices toolkit and 13 consumer-facing notices that address eligibility scenarios.
http://www.medicaid.gov/state-resource-center/mac-learning-collaboratives/learning-collaborative-state-toolbox/state-toolbox-expanding-coverage.html

Generally, while most states could produce most notices, states identified room for improvement:

- 5 states indicated their notices were produced in their legacy system
- 5 states reported that the production of at least one notice required a manual touch.
- 5 states expressed concern about "inadequate" or overly broad (i.e., not detailed enough) language in their notices, the regular need to clarify notices for consumers, and a desire to redesign the layout and language to more clearly communicate to consumers

Key Findings: Dynamic & Electronic Notices

Are notices available electronically?

28 states reported that notices were available electronically.

19 states indicated that notices were not yet available electronically.

For 4 states, no information available

Among states that provided electronic notices, the capacity to produce paper and/or electronic differed. For example:

- 4 states indicated that they offered enrollees the choice of receiving notices in the mail, electronically or both.
- 6 states reported they continued to send paper notices (in addition to electronic notices) to those who selected to receive electronic notices.
- 3 states noted that they offered individuals paper or electronic notices, but could not provide individuals with both formats.

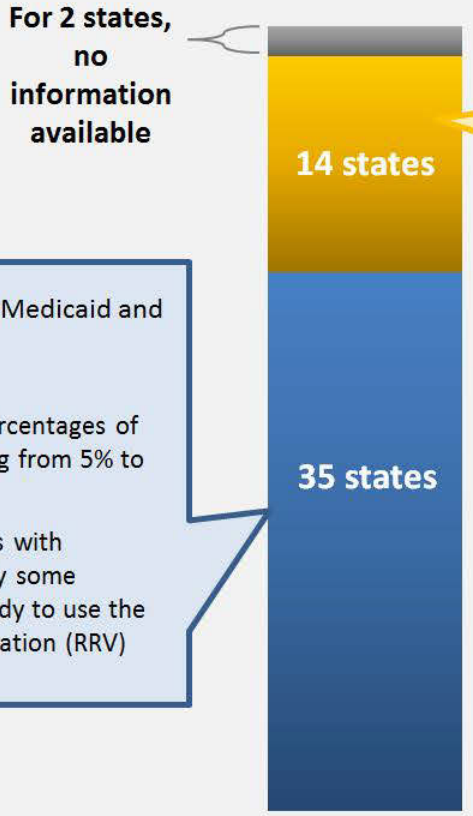
❖ **10 of these states reported that they anticipated having the capability in 2015 or thereafter.**

Dynamic Notices:

44 states reported that their notices were dynamic.

Key Findings: Ex Parte Renewal

Can the state renew Medicaid and CHIP beneficiaries on an ex parte basis?



14 states reported they were still developing the capacity to renew Medicaid and CHIP beneficiaries on an ex parte basis.

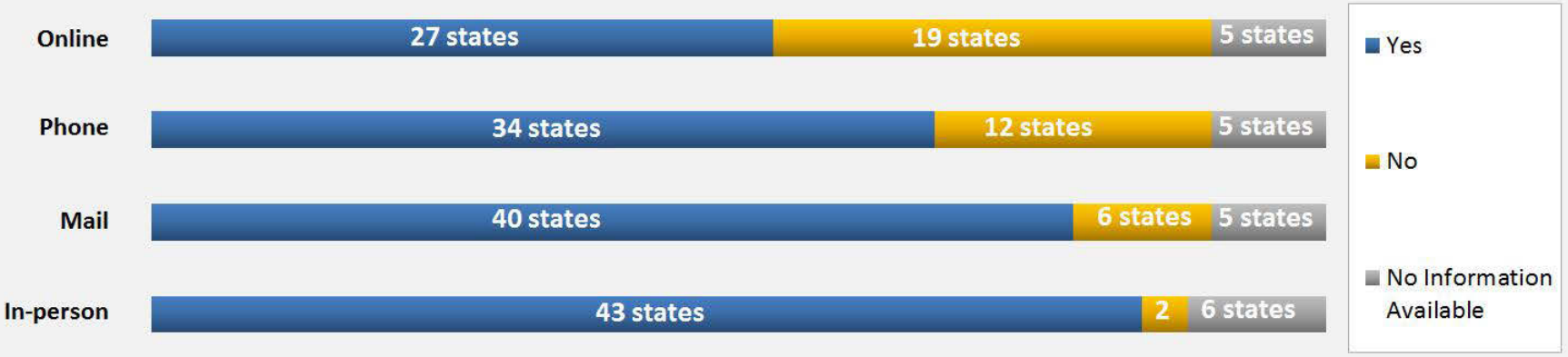
- **9 of these states** indicated they anticipated this functionality in 2015.

35 states indicated that they renewed Medicaid and CHIP beneficiaries on an ex parte basis.

- A handful of states provided preliminary percentages of enrollees enrolling through ex parte, ranging from 5% to 66%.
- Some states described continued challenges with renewing ex parte, including having to verify some information manually and not yet being ready to use the Hub's Renewal and Redetermination Verification (RRV) service.

Key Findings: Pre-Population

Can beneficiaries complete pre-populated forms via each of the following modalities: online, phone, mail and in-person?

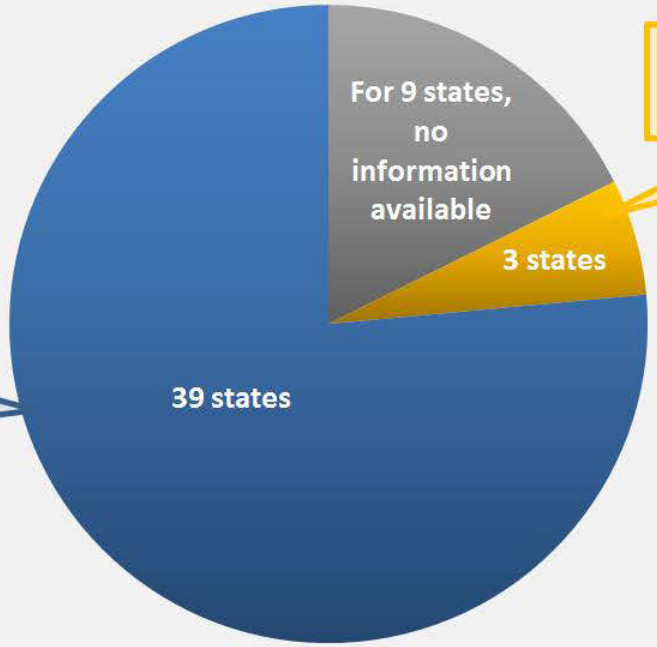


21 states reported that prepopulated forms were available across all modalities.

Online	Phone	Mail
❖ **11 of the states that** reported they could not pre-populate only anticipated online functionality in 2015.	❖ **4 of the states** that could not pre-populate by phone indicated they planned to do so in 2015.	❖ **1 state** that could not pre-populate via mail planned to have this functionality during 2015
▪ A handful of states noted challenges, including that online pre-population might only be available for enrollees who originally applied online or that enrollees could renew online, but that information was not pre-populated.		▪ One state noted it made pre-populated renewal forms available to beneficiaries upon request.

Key Findings: Timeframe to Return Form

How many days do individuals have to return the renewal form?



3 states noted they currently provide fewer than 30 days to return the renewal form

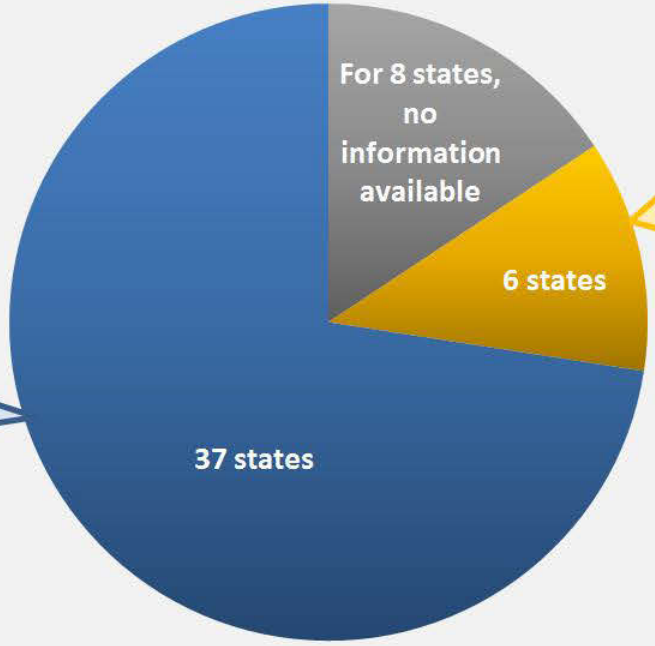
39 states reported they provided at least 30 days to return the renewal form.

9 states reported that it was difficult to ensure no gap in coverage if enrollees returned the form on the last day of the 30-day window due to processing timeframes.

45 of 48 states providing information indicated they accepted and processed returned renewal forms within the 90 day reconsideration period after an individual's termination.

Key Findings: Evaluating Potential IAP Eligibility

For those determined no longer eligible for Medicaid, is the state able to evaluate potential eligibility for other insurance affordability programs (IAPs) and transfer the electronic account as appropriate?



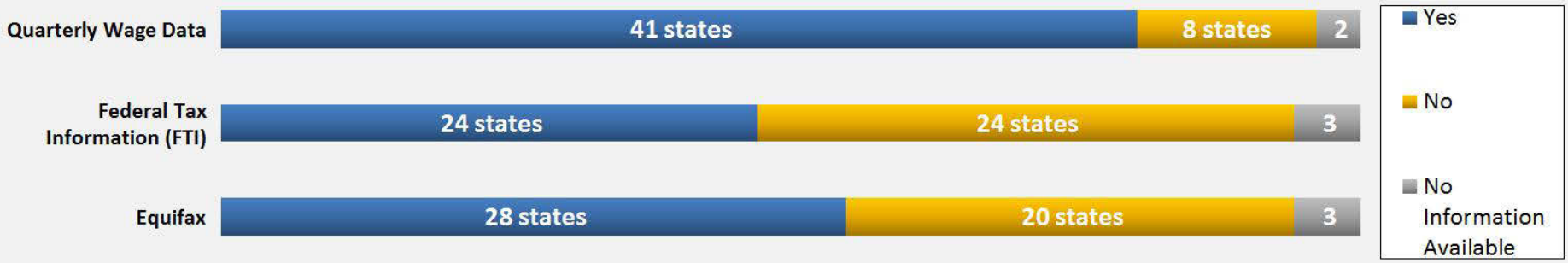
37 states reported they were able to evaluate potential eligibility for other IAPs and transfer the electronic account.

6 states noted they were in the process of fully developing the capacity to evaluate potential eligibility for other IAPs and transfer the electronic account.

- While some states were focused on developing the capacity to evaluate potential eligibility for other IAPs, others were building account transfer at renewal into their system, though it was already functional at application.

Key Findings: Income Verification

What are some of the most common data sources the state uses for income verification?



Quarterly Wage Data	FTI	Equifax

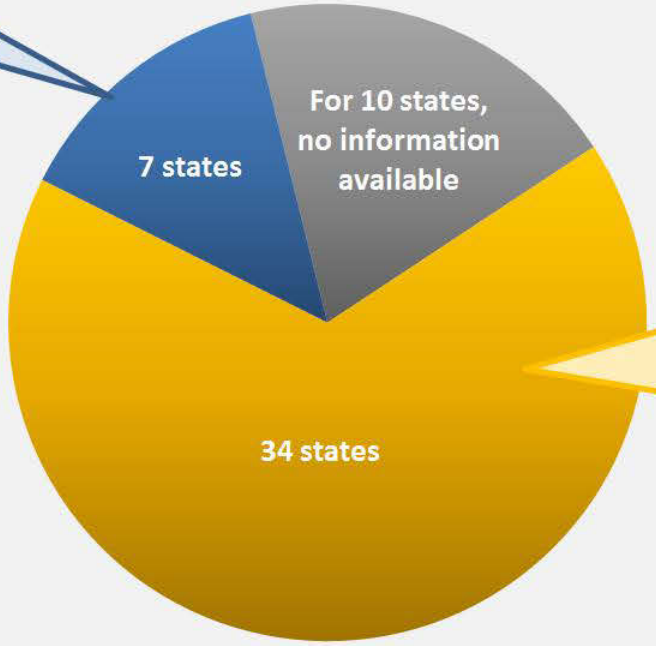
▪ States accessed quarterly wage data in various ways, including:
  ▪ By nightly batch.
  ▪ With an automated system that required a "manual trigger"
  ▪ By manual workaround
	▪ States varied in their use of FTI, with at least one state using it to verify initial applications but not at renewal.
	▪ One state that did not use FTI noted that it preferred to access income information that could also be used for SNAP and cash assistance eligibility determinations.
	▪ In some SBM states, FTI may not be used by the state Medicaid agency
		▪ While 28 states reported that they used Equifax, some accessed it through the Hub while others utilized their own separate contract.
		▪ Some states used an existing state match to work number.

Note: While not discussed during the consultations, 5 states are known to use state tax return information for income verification.

Key Findings: Verification of Citizenship and Lawful Presence

Is the state accessing all three steps of the Systematic Alien Verification Entitlements (SAVE) process through the Hub Verification of Lawful Presence (VLP) service?

7 states reported they accessed all three steps of the SAVE process through the Hub VLP service.



34 states indicated that they did not access all three steps of the SAVE process through the Hub VLP service.

- 13 of these states indicated that they relied on manual processes during the SAVE process.

23 states reported they had transitioned to v33 of VLP service.

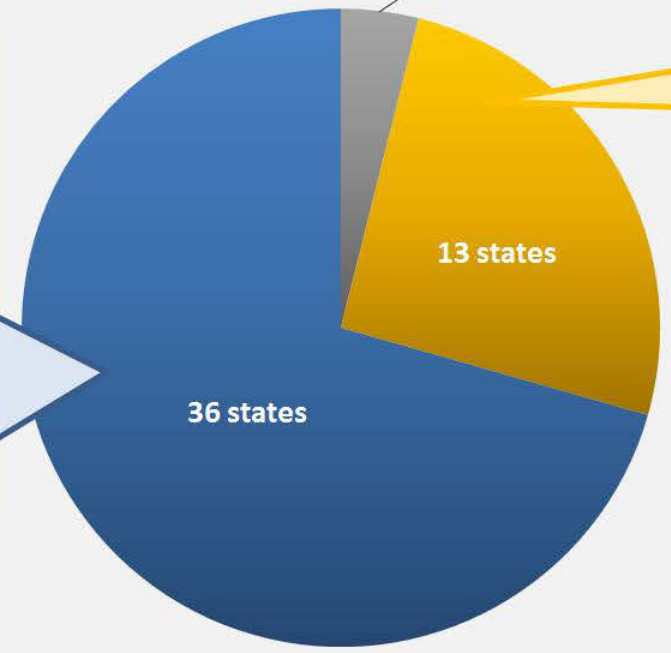
- 21 states reported they had not yet transitioned.

Key Findings: Application Modalities for Non-MAGI

Does the state have an online or telephonic application path for non-MAGI applications?

36 states reported they had an online or telephonic application path for non-MAGI applications. States had differing capacities. For example:

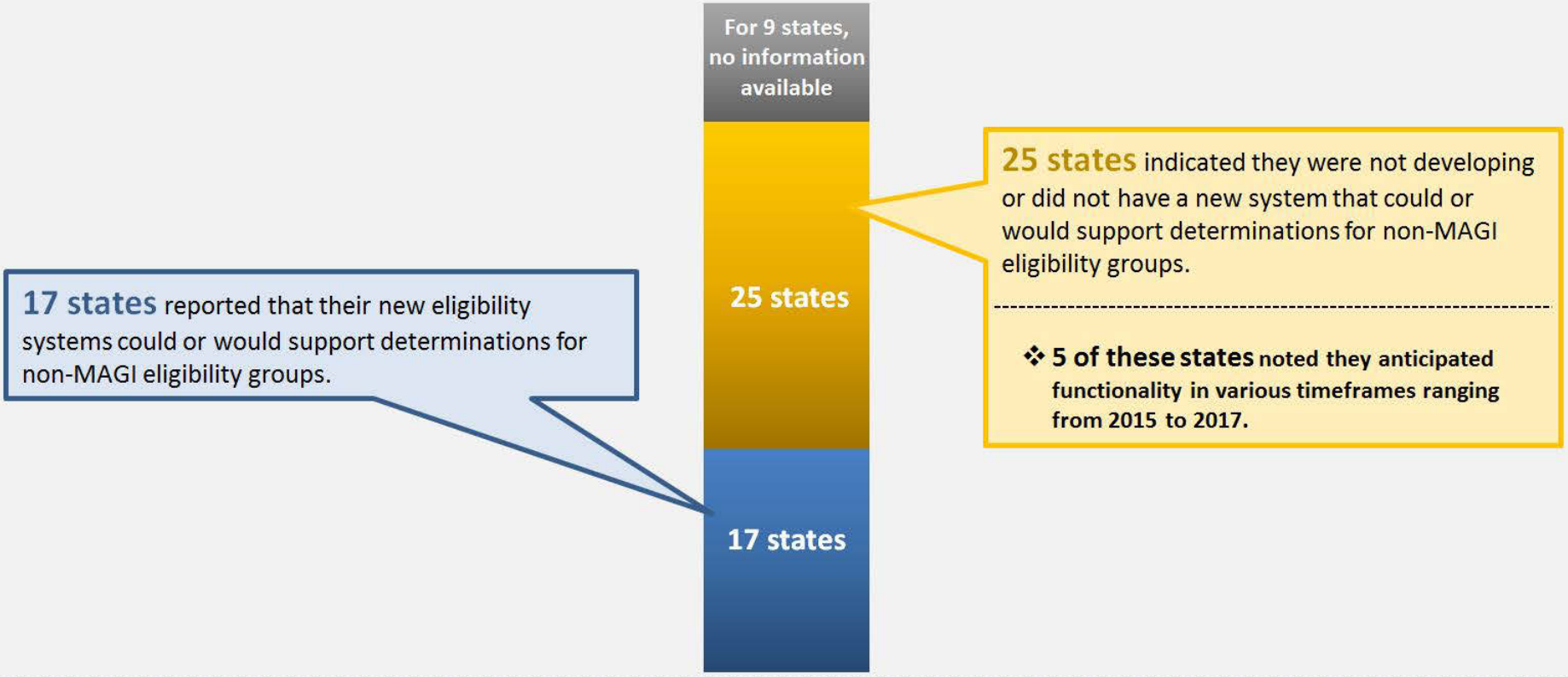
- A number of states reported they had either an online or telephonic path, but not both.
- Several states noted that while an applicant could start online, additional follow-up or a paper-based path was required if an individual required a non-MAGI eligibility determination.



13 states indicated they were still developing online or telephonic application paths for non-MAGI applications.

Key Findings: Eligibility Determinations in New Systems

If the state is developing a new eligibility system, does the new system support determinations of eligibility under non-MAGI eligibility groups?



Key Findings: Evaluation on Bases other than MAGI at Renewal

For Medicaid beneficiaries determined ineligible based on MAGI at renewal, is the state able to evaluate potential eligibility on a non-MAGI basis?

31 states reported they had the ability to evaluate potential eligibility on a non-MAGI basis for individuals determined ineligible based on MAGI.

12 states indicated they were developing the ability to evaluate potential eligibility on a non-MAGI basis.

For 8 states, no information available

Some states indicated that they continued to rely on county offices to complete non-MAGI determinations as a workaround to full integration of non-MAGI eligibility determinations within updated systems. Other states struggled to ensure there was no gap in coverage during the non-MAGI determination.

41 of 43 states providing information reported that they were able to evaluate potential eligibility based on MAGI for MAGI-exempt enrollees determined ineligible for continued coverage on that basis.

Looking Ahead

Looking Ahead

- We've come a long way since 2014 open enrollment period.
- Looking ahead, priorities include meeting fundamental requirements to solidify the foundation of a streamlined and simplified eligibility and enrollment system.
- States will continue to incrementally tweak and improve their systems (such as, adding more sources for verification or automating more verifications).
    - CMS issued proposed regulations to make available permanently enhanced funding for eligibility and enrollment systems. States receive a 90/10 match for new E&E systems builds and a 75/25 match for maintenance and operations.
- Evaluation of E&E functionality in the future will occur on an ongoing basis, timed with states' releases of new technological improvements and the ability to assess the results.

Medicaid Proposed Rule, CMS-2392-P, "Medicaid Program; Mechanized Claims Processing and Information Retrieval Systems (90/10)," (April 2015)