

**PUBLIC PROGRAMS OUTREACH
TECHNICAL ADVISORY GROUP REPORT
SEPTEMBER 8, 2009 **DRAFT****

The Public Programs Outreach Technical Advisory Group met four times in June, July, and August. Our initial meetings focused on the Medicaid programs use of the medical home model and disease management. The Technical Advisory Group heard presentations from insurers who contracted with the state Medicaid program, SelectHealth, Healthy U, and Molina. We have also focused on the ability of the state's new insurance exchange to interface with the E-rep system and state assistance programs. Finally, the Technical Advisory Group started work on methods to increase enrollment in public programs for currently eligible populations through better outreach and removing barriers. The following is a summary of our findings and recommendations to date.

I. Medicaid Program's use of medical homes and disease management programs.

Findings:

Each insurer who contracts with Medicaid uses some form of disease management, and some support provider models for a "medical home". However, these programs vary substantially between insurers. The state's Medicaid program does not specifically require the insurers it contracts with to adopt a disease management system or to reimburse providers who establish a medical home model for Medicaid patients.

Recommendations:

The Technical Advisory Group recognizes the benefits of a medical home model and its ability to provide higher quality coordinated care for Medicaid patients. The Group also recognizes that there are current barriers and obstacles in the Medicaid program to implementing a medical home model, some of which include short term costs for long term savings. The Technical Advisory Group encourages the Medicaid program to participate in demonstration projects that implement a medical home model.

II. Increasing outreach for the CHIP program through cooperative efforts between the public schools and the Department of Health.

Findings:

- **Regulatory Environment**
Federal regulations for free and reduced price meal programs administered under USDA allow for information sharing with Medicaid and SCHIP. Eligibility information can be disclosed to these two programs unless parents elect not to have information disclosed. This election by parents is referred to as "opt out." Federal regulations for student data (FERPA) do not allow sharing of student data to third parties except in a limited number of situations. Providing information to other federal programs is not one of the allowed situations. The fact that child nutrition program information is collected at the school and becomes part of the student record, has made the process of sharing the information challenging. The current workaround is for school personnel to sort the application information to comply with FERPA and then provide SCHIP with eligibility information excluding the "opt out" applications as allowed under USDA regulation.
- **Current Practice**
The Child Nutrition Program at Utah State Office of Education provides school districts with a template application. Included with the template is an annually updated advertisement from SCHIP

designed to encourage parents to enroll their children in CHIP. The template also includes the federal designed application and federal language for parental "opt out" designation. The school district then makes sufficient copies for distribution to the schools, where the forms are provided to parents in back-to-school-night meetings. Parents then are able to complete the application and submit it to the school at the parent's discretion. Submitted applications are either entered into school district data systems or maintained in physical files at the schools. In the past USOE has facilitated data submission to SCHIP through survey work. The surveys indicated which school districts maintained free and reduced price meal information electronically. SCHIP was provided this list so that they could make contact with the school districts and obtain lists of students who had not "opted out" of information sharing. The Department of Health (DOH) partners with the Office of Education and local school districts to reach out to uninsured families regarding the availability of CHIP and Medicaid health care coverage for their children. In support of that effort, DOH has taken the following actions:

- The Bureau of Access (BOA), DOH disseminates approximately 500,000 CHIP flyers each year to school districts throughout the state to be included with "back to school" material for children and their families at the beginning of the school year.
- In response to H.B. 364, passed during the 2008 General Session, BOA worked with the Office of Education to include language on the free and reduced school lunch form regarding the availability of Medicaid and CHIP and informing parents that the school will share information from the form with BOA regarding their children's eligibility for free and reduced school lunch. Parents have the option to prohibit the release of this information by checking an "opt out" box on the form. Income eligibility for free and reduced school lunch is similar to the income limits for CHIP.
- In an effort to automate access to free and reduced school lunch information, DOH conducted a survey of all school districts to determine if this information can be accessed electronically. About half the school districts maintain this information in some electronic form. The rest maintain hard copies of the forms.
- Utah is one of eight states awarded a grant under the Maximizing Enrollment for Kids Program through the Robert Wood Johnson Foundation. The purpose of the grant is to find ways to reduce barriers to enrollment and retention in CHIP and Medicaid and to increase the enrollment of eligible children in these programs, thereby reducing the number of uninsured children. Two primary initiatives in the grant include: (1) furthering collaboration between the Office of Education, DWS, and DOH, and (2) streamlining and expediting enrollment for children who already qualify for free and reduced school lunch and are likely eligible for CHIP or Medicaid.

Recommendations:

There is not a single database that contains the meal program information. Some school district have selected the state's Student Information System (SIS) to maintain meal program information. Even SIS has a limitation in that there is not a data field to capture the "opt out" designation. This omission in the database prevents information sharing from that source. The single most important improvement to the current practice is to design data collection in a way that complies with both FERPA and meal program regulations.

The Office of Education is working with a private vendor to develop a student information system for use in the school districts. DOH is in discussion with the vendor and the Department of Workforce Services to explore the possibility of electronically transmitting information from the free and reduced school lunch form to the Department of Workforce Services, which could be used to initiate contact with the

family or initiate presumptive eligibility as allowed under the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA).

III. Removing barriers to enrollment in public assistance programs.

Findings: The Medicaid Asset Test.

- What is the asset limit for Medicaid?
For most of the state's Medicaid eligibility categories including children, the asset limit is \$2,000 for an individual, \$3,000 for a couple, and \$25 for each additional member of the household.¹ Anything of value is considered an asset. Utah allows for several exemptions from the asset limit, including one vehicle and one home that is occupied by the client. However, Utah does not make an exemption for most retirement or saving plans.
- Why should Utah remove the asset test for children as part of health reform?
Medicaid is a means based entitlement program. In determining a family's means, the state uses two criterias: income and assets. The income standard is fairly straightforward: as long as household income falls under the limit for a given eligibility category, the standard is met. The second test, the "asset test," however, is much less useful. It is expensive to administer, is difficult for families to comply with (even if they do not have assets that would disqualify them from Medicaid), and sends the wrong message to families: that they should not save for their future.^{2 3 4 5}

Generally, the asset test fails to exclude families because they have too many assets. Rather, the test excludes families because compiling the information necessary (bank account information, property, retirement accounts) to prove their assets fall under the limit is too burdensome or invasive. Forty-six

¹ The asset limit varies depending on category. Federal law prohibits applying an asset test for children under the age of 6. For pregnant women in Utah the asset limit is \$5000.

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³ Parrish, L., New America Foundation, "To Save, Or Not to Save? Reforming Asset Limits in Public Assistance Programs to Encourage Low-Income Americans to Save and Build Assets" (2005), available at www.newamerica.net/files/to%20save%20or%20not%20to%20save.pdf

⁴ Ross, D.C., Marks, C., "Challenges of Providing Health Coverage for Children and Parents in a Recession: A 50 State Update on Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and SCHIP in 2009", Kaiser Commission on Medicaid and the Uninsured, (January 2009).

⁵ Orszag, P., "Asset Tests and Low Saving Rates among Lower-Income Families," Center on Budget and Policy Priorities, Washington, DC, 2001

states have already removed the asset test for children.⁶ Removing the asset test for children will bring Utah in line with the rest of the nation.

CHIPRA provides states new financial incentives to simplify their Medicaid and CHIP enrollment process by removing the asset test and implementing other proven enrollment strategies like express lane eligibility and creating a joint application and verification process for CHIP and Medicaid.⁷ Removing the asset test for children is key in qualifying for these additional funds.

Removing the asset test will allow Utah to simplify the application process for both Medicaid and CHIP by reducing the number of questions asked on the state's joint application for Medicaid and CHIP. Further, removal of the asset test will allow Utah's online application, E-REP, to work more efficiently and reduce the amount of work eligibility workers must do to approve an application.

Recommendation: The Medicaid Asset Test

The Technical Advisory Group recommends removing the asset test for children to qualify for the CHIP program or Medicaid and continuing the study removing the asset test for the remainder of the Medicaid program. The Group recognizes that this proposal may have a fiscal impact for the state, but believes that removing the asset test will make it easier for families to transition from public programs to private market insurance by allowing them to build a sound financial foundation.

Findings: Express Lane Eligibility

The Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) provides states new options to reach and enroll eligible but uninsured low-income children into Medicaid and CHIP. The law's Express Lane Eligibility (ELE) refers to strategies to streamline the identification, enrollment and recertification process for these two programs using eligibility findings from other means-tested programs, such as the School Lunch Program or Food Stamps. CHIPRA also allows states to pursue electronic strategies for demonstrating eligibility, and loosens federal rules that have prevented the sharing of electronic information in the past.

Utah currently performs multiple eligibility determinations for state programs. Express Lane Eligibility could use data gathered from any one means-tested program to establish eligibility for public health insurance as well. ELE could also reduce the time and administrative burden on low-income working families by minimizing paper work and simplifying the effort to enroll their children in health insurance.

Information from state tax forms and means-tested programs could also be used to do targeted outreach to uninsured low-income children because this existing data would identify children who are likely eligible for CHIP and Medicaid as well.

⁶ Ross, D.C., Marks, C., "Challenges of Providing Health Coverage for Children and Parents in a Recession: A 50 State Update on Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and SCHIP in 2009", Kaiser Commission on Medicaid and the Uninsured, (January 2009).

⁷ CHIP Tips: Medicaid Performance Bonus "5 of 8" Requirements, The Kaiser Commission on Medicaid and the Uninsured and Georgetown University Health Policy Institute Center for Children and Families, (April 2009), available at <http://www.kff.org/medicaid/upload/7885.pdf>

Recommendations: Express Lane Eligibility

Utah can use data collected by other means-tested programs to automatically renew children enrolled in CHIP or Medicaid. For example, if at the time of renewal for either program, the Department of Workforce Services determines that the child has an active file with the Food Stamps Program, that child would be automatically renewed in the CHIP or Medicaid program and the family would not have to take any further action in order to retain the child's coverage. Such a strategy would reduce the high rate of "churning" in our public insurance programs which is attributable, in part, to the ongoing red tape required to keep kids enrolled. Such a strategy makes sense because only one-tenth of one percent of uninsured children receiving Food Stamps have earnings that are too high to qualify for Medicaid or CHIP.

A study by the Urban Institute found that ninety percent of low-income, uninsured children live in families that file income tax forms. Therefore, using the tax system to find and enroll uninsured children is a promising future outreach strategy for Utah to explore. Tax data can also be used to streamline the enrollment process by allowing "back-end" verification of declared income, allowing families to not produce pay stubs or take other administratively cumbersome verification steps.

Uninsured children enrolled in the National School Lunch Program could be deemed "presumptively eligible" for CHIP or Medicaid since ninety-six percent of children receiving free lunches have incomes that qualify them for Medicaid or CHIP.

Findings: Outreach to Medically Under-Served Populations - Grant and Contract Program.

- During the 2008 General Session the Legislature authorized the Department of Health to solicit and award contracts and grants to community based programs for the purpose of developing culturally and linguistically appropriate outreach programs and services for medically under-served populations. This program was funded and then lost funding during the summer special budget sessions.

Recommendation:

The Technical Advisory Group recognizes that budget considerations are difficult in the current economic times, however, the investment of dollars in this program should, in the long term, decrease costs by decreasing the inappropriate use of medical services such as emergency room visits for primary care needs, and encouraging the appropriate use of medical services.