

Redesigning
THE MEDICAID PROGRAM



Local Role in Eligibility and Enrollment and Final Recommendations

*Medicaid Redesign Team Work Group on Program
Streamlining and State/Local Responsibilities*

September 27, 2011

Recap Discussion: Local District Roles - Eligibility and Enrollment

- ▶ The work group discussed state/local roles in support of consumers seeking health insurance coverage in the context of a New York Health Benefits Exchange.
- ▶ The options reviewed included different modes of providing assistance, as well as the functions required to determine eligibility and enroll different MAGI and non-MAGI populations.
- ▶ Consensus emerged around providing local “hands on” help to consumers, while centralizing and automating, to the extent possible, eligibility determinations through a common eligibility system.

Recap Discussion: Local District Roles - Eligibility and Enrollment

- ▶ The remaining open discussion item, pending a consensus recommendation, is whether local districts would:
 - Provide such local, in-person help acting as third party assistors for MAGI populations, or
 - Determine eligibility for MAGI Medicaid
 - ❖ *The latter option would require districts to screen those who are ineligible for Medicaid for other Insurance Affordability programs (e.g. CHP, Exchange subsidies, Basic Health Program if offered) and to transfer their eligibility information seamlessly and electronically to the Exchange or the other program.*
 - ❖ *In-person assistance assumes the local district/local assistor enters the information into the new eligibility system and the determination is automated.*
 - ❖ *Assumes reimbursement available for assisting and screening for MAGI eligibility for all IA programs*

LOCAL ROLES

THIRD-PARTY ASSISTORS

Assist consumers with application and transmit to central processing unit for eligibility determination for MAGI.

Non-MAGI will submit to local districts.

- Navigators;
- Facilitated enrollers;
- Brokers;
- Local Districts;
- Other community-based organizations, providers, and plans.

LOCAL DISTRICTS

MAGI

Medicaid eligibility and enrollment when in person application initiated at the district.

Other Insurance Affordability program screening for those not MA eligible with electronic transfer of information to Exchange.

NON-MAGI

- Eligibility and enrollment for non-MAGI.
- Eligibility and enrollment for special programs not automated.
- Eligibility and enrollment for other social services programs.
- Child support referral.

Other Social Services Programs

- ▶ Medicaid Categorical Eligibility:

- *Public Assistance*
- *SSI*
- *Foster Care*
- *Juvenile Justice*

- ▶ Similar Income Levels:

- *Food stamps*
- *HEAP*
- *Child Care Subsidies*

Other Social Services Programs: Opportunities in ACA

- ▶ The ACA Section 2002 and new proposed regulations (435.110 et seq) provide opportunities to further streamline eligibility and ease administrative burdens, in terms of providing MA to individuals who are determined eligible for other federal and state aid or assistance programs.
- ▶ States have the option to allow a determination of eligibility for another state or federal program to establish eligibility for MA. In such cases, although the MAGI methodology would not apply, MA issuance could be “automated” based on the other program determination.
- ▶ However, it is important to note that **states must still apply the MAGI rules and processes** to applicants for other social service programs who are also seeking MA, and who **have not yet been determined eligible** for the other program.

Other Social Services Programs: Opportunities in ACA

- ▶ The ACA and the new regulations more clearly “de-link” other social service program determinations from MA MAGI, while still allowing a state to “automate” Medicaid issuance for PA, and possibly Food Stamps (FS), other recipients who for whatever reason do not have an active Medicaid case but are now seeking health coverage.
- ▶ The new framework could ease the district burden of separate MA determinations by having the central processing unit handle these MAGI determinations.
- ▶ Districts would continue to handle PA, FS, etc. but the central processing unit could take responsibility for the separate MA determinations, check electronic data bases to validate the MAGI income for the individuals/SSNs, establish MAGI eligibility, issue MA notices, etc.

Possible Pathways for MAGI When Applying for Other Social Service Program: Public Assistance

- ▶ PA applicant who also wants Medicaid:
 - *MAGI – the Medicaid cannot be delayed while PA is being determined.*
 - *Applicant information should be entered into new eligibility system for Medicaid and Medicaid eligibility automated.*
- ▶ PA determined and enrollee not on Medicaid yet:
 - *Accept PA eligibility determination for Medicaid determination without applying MAGI rules*
- ▶ PA enrollee loses PA eligibility:
 - *Information entered into new eligibility system and Medicaid determination automated using MAGI rules*

Long-Term Care Subcommittee

Recommendations

Overarching Principle and Recommendation

- ▶ Medicaid recipients who need long term care should share in all the eligibility and enrollment simplification, streamlining and automation, to the extent allowed by federal law, that will be developed and implemented for Medicaid recipients who need health care services.

Eligibility System Recommendation

New York must have one eligibility determination and enrollment system for its Medicaid program and all Medicaid-eligible sub-populations (i.e., over 65, non-MAGI, under 65, MAGI, those who need health care services, those who need long term care services). While the State may implement this system incrementally for these populations, there must be a plan that sets certain implementation dates for each Medicaid sub-population. These dates should fall within the period during which the federal government will fund the development and implementation of this system at 90% FMAP.

Medicare Savings Program Recommendation

- ▶ Centralize and automate eligibility and enrollment processes for the Medicare Savings Programs by January 2014.

Asset Verification System Recommendation

- ▶ The State should invest in an Asset Verification System (AVS) to permit the electronic verification of assets (including assets in the 5 year look back period) for determining eligibility for aged, blind, and disabled Medicaid applicants and recipients. AVS should be deployed as soon as possible in existing systems and this functionality should also exist in any new eligibility system.

Spend Down Recommendation

- ▶ Automate spend down by linking eMedNY to WMS and using provider billing to track spend down similarly to an insurance deductible. This spend down automation function should be deployed as soon as possible in existing systems and this functionality should also exist in any new eligibility system.

Enrollment Assistance Recommendation

- ▶ Disabled and elderly New Yorkers in need of long term care services should have the same access to enrollment and eligibility assistance as other applicants for Medicaid. New York's plan for meeting consumer assistance needs must include a focus on this vulnerable population, whether it is through the use of Navigators, Consumer Assistance Programs, Facilitated Enrollers or some other funded initiative.

Work Group Recommendation

Create a Work Group of consumer representatives (including who benefit from specific programs, like the consumer-directed program), providers, workers and local and state officials to assist the state in:

- *evaluating eligibility and enrolment processes for long term care and identifying further reforms and tracking implementation of those agreed upon;*
- *evaluating the implementation of managed long term care and identifying further reforms and tracking implementation of those agreed upon;*
- *ensuring appropriate training and support of long term care stakeholders, including consumers, providers, workers and local officials as new systems and new programs are implemented.*

Exchange, Financing, and Eligibility and Enrollment

Recommendations

Exchange Recommendation

- ▶ New York should establish its own Exchange to best meet the needs of its residents and small businesses.
- ▶ We urge the Senate to enact the Governor's Program bill, already passed by the Assembly, by the end of 2011 to allow the state Exchange to be deemed "operationally ready" by January 1, 2013.
- ▶ If the Legislature fails to act, we urge the Governor to explore all options for moving forward with an Exchange absent legislation.

Financing Recommendation

- ▶ In most of the 50 states, Medicaid is financed almost exclusively with state and federal tax dollars. In New York State, approximately 30% of the non-federal cost of Medicaid is paid through the local taxes.
- ▶ The fiscal structure is unsustainable for several reasons:
 - *Reliance on local property taxes to fund Medicaid has contributed to making New York's local tax burden the highest in the nation.*
 - *Use of a narrowly defined and regressive tax for such a large State program contributes to both negative perceptions of the program and inconsistent eligibility policies across counties.*
 - *The new property tax cap imposes annual growth limits on revenue that are far below the expected growth rate in Medicaid costs.*
 - *This fiscal structure creates challenges as the State implements the requirements of the Affordable Care Act. It will be difficult to accomplish the goals of the ACA – to move the culture of Medicaid away from a welfare program toward health insurance – if the funding continues to be derived from local property taxes.*
- ▶ The State should develop and implement a plan for more sustainable Medicaid financing that phases out reliance on local taxes (e.g., property taxes) and includes the examination of financing structures in other states.

Guiding Principles for Implementing Exchange Coverage Goals

- ✓ Implementation of the ACA is a state responsibility
- ✓ Build on success
- ✓ Leverage assets to maximize gains in coverage and reduce the number of uninsured.
- ✓ Demand robust performance accountability for customer service.
- ✓ Maximize automation so more time can be spent with vulnerable populations.

Guiding Principles for Implementing Exchange Coverage Goals

- ✓ Create a cost-effective administrative approach that improves the customer experience.
- ✓ Promote uniformity and consistency in administrative process and decision making.
- ✓ Insure program integrity
- ✓ Involve stakeholders.
- ✓ Develop a plan for phased implementation that minimizes disruptions during the transition.

State/County Roles & Functions – 2014 Recommendations

- ▶ Centralize eligibility determinations for MAGI online applications, wherever initiated.
- ▶ Centralize processing of MAGI mail and phone applications.
- ▶ Provide local in-person assistance (i.e., government, community organizations) to help consumers apply for all Insurance Affordability programs with eligibility determinations centralized through a common eligibility system.

State/County Roles & Functions – 2014 Recommendations (continued)

- ▶ Automate non-MAGI eligibility determinations where possible (i.e., MSP); non-automated eligibility determinations remain with local districts.
- ▶ Provide local specialized “hands on” help for non-MAGI individuals and centralized supports for assistors.
- ▶ Support specialized third-party assistors for LTC, disabled individuals, and other special Medicaid eligibility pathways.

State County Roles & Functions - 2014

DEPARTMENT OF HEALTH

- IT System
- Medicaid/CHIP/Exchange Policy Rules
- Oversight
- Provide supports, education training

EXCHANGE

- Customer Assistance (Call Center)
- Support Website/online application
- Centralized eligibility and enrollment determination for all MAGI online applications wherever initiated
- Centralized processing of mail and phone applications
- Automated non-MAGI
- Automated special populations
- Penalty exemptions

THIRD-PARTY ASSISTORS (MAGI)

- Navigators
- Facilitated enrollees
- Brokers
- Local Districts

THIRD PARTY ASSISTORS (NON-MAGI)

- Community-Based Organizations
- Providers
- Health Plans

LOCAL DISTRICTS

(MAGI):

- Assist with Medicaid eligibility and enrollment when in-person application initiated at the district.
- Other Insurance Affordability Program screening for those not MA eligible with electronic transfer to Exchange.

(NON-MAGI):

- Eligibility and enrollment
- Eligibility and enrollment for special programs not automated
- Other social services programs

CONSUMERS

Program Streamlining and State and Local Responsibilities Follow-Up

- ▶ One member suggested the group reconvene at least once.
- ▶ Possible check-in points:
 - *Following enacted Exchange legislation;*
 - *Update on the new eligibility system;*
 - *Update on implementation of group recommendations.*

Next Steps

- ▶ Update full MRT on October 6.
- ▶ Draft a brief report describing the group's process and recommendations (due October 15).
- ▶ Bring recommendations to MRT on or about November 1.
- ▶ Incorporate recommendations into the Executive Budget, if appropriate.