

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2015

Bill Number: S.61 Name of Bill: Medicaid; [fast-track enrollment](#)

Agency/ Dept: AHS/Medicaid Policy Author of Bill Review: Susan Coburn

Date of Bill Review: 2/23/15 Status of Bill: (check one):

☒ Upon Introduction ☐ As passed by 1st body ☐ As passed by both bodies ☐ Final

Recommended Position:

☐ Support ☐ Oppose ☐ Remain Neutral ☒ Support with modifications identified in #8 below

Analysis of Bill

1. Summary of bill and issue it addresses. *Describe what the bill is intended to accomplish and why.*

The bill requires the state to implement two strategies for expedited Medicaid enrollment for:

1. non-elderly, non-disabled 3SquaresVT participants based on their eligibility for 3SquaresVT and
2. parents of children who are Dr Dynasaur eligible, contingent that the parents are likely financially eligible and meet nonfinancial requirements.

The bill directs the states to apply for a waiver under section 1902(e)(14)(A) of the Social Security Act to obtain federal approval.

2. Is there a need for this bill? *Please explain why or why not.*

The eligibility criteria required for enrollment into state programs including 3SquaresVT and Medicaid can be complex and difficult for individuals. Requiring multiple enrollment processes is burdensome and discourages enrollment and re-enrollment into state programs.

Using an expedited enrollment process is a proven strategy to increase enrollment, and to reduce the turnover of individuals enrolled, both at the time of initial determination and redetermination of program eligibility.

The proposed legislation does not specify the exact method or extent of action desired by the state to “fast-track” Medicaid enrollment. There are a variety of options that the state could pursue in order to increase enrollment of uninsured adults. Options requiring additional expense to the state would need to be supported by additional appropriation of state funds by the legislature.

Lower to higher cost options are listed in the following order:

1. Low cost: Conduct a cross analysis of data from Medicaid and 3SquaresVT to identify individuals enrolled in 3SquaresVT who are not Medicaid enrolled. Conduct a targeted mailing to inform them of potential eligibility and direct them to VHC and existing networks to assist with enrollment.

2. Low cost: Conduct an analysis of Medicaid enrolled children and conduct income based outreach to parents to encourage Medicaid enrollment. Identification of this cohort would be more error prone as the agency may have difficulty identifying the parent's current insurance status.
3. Undetermined Cost: Have navigators or other staff conduct telephone outreach to individuals who are potentially eligible. To use navigators, the state would need to amend contract agreements to allow data sharing and increase administrative resources in order to develop scripts and provide trainings. Any outreach conducted by the VHC Navigator program would be restricted in scope, as they are prohibited from directly soliciting application or enrollment assistance per 45 CFR §155.210.
4. Total cost would be dependent on the number of identified individuals.
5. Higher Cost: The state could seek to obtain other federal waiver authority to simplify eligibility determination with a simplified application including an option to enroll in Medicaid from 3SquaresVT application. Higher cost for application, design & development and staff resources to process altered forms and enter data into systems.
6. Higher Cost: The state could explore auto enrollment options using data and verification for both programs. This would require sending notice to individuals with an opt-out option, income verification requirements, and signature. Higher cost for IT, development in Legacy and VHC systems and staff resources to process altered forms and enter data into systems.

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

Simplified eligibility can have a positive fiscal impact. When implemented effectively, streamlining enrollment reduces staff time and resources to process and verify eligibility. It can reduce administrative expenses and delays that can occur with processing applications.

There are federal requirements and limits on the amount of information that can be asked at enrollment. Federal authority is needed to change the application process. In addition to costs identified in section two, staff time and resources would be required to conduct waiver negotiations and develop state plan amendments to obtain the appropriate federal authorities.

Creating new systems to allow for the practical application of eligibility across systems can be costly. The state is in the process of developing an integrated eligibility system that will include the technology interfacing capabilities to implement a simplified eligibility processes. To develop new system functionality prior to integrated eligibility would require significant staff time and resources. It would be fiscally prudent and more practical to build the proposed changes into the integrated eligibility system. Without system interfacing capability, manual review and changes made by state staff would be time and labor intensive.

4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?

Department of Children and Families, Economic Services Division, would have to allocate significant time and resources. Staff in the Department is experiencing strained resources as the state continues to work to integrate Medicaid eligibility into VHC.

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? (for example, public, municipalities, organizations, business, regulated entities, etc)

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Hospitals, doctors and medical providers would support as they may face a fiscal burden by serving individuals without coverage.

6. Other Stakeholders:

6.1 Who else is likely to support the proposal and why?

Health care advocates such as Vermont Legal Aid who support expanded access to program coverage through expedited eligibility systems. This would support eligibility for a broader group of adults who may not otherwise be enrolled or stay enrolled.

Other organizations in support of the bill include VT Campaign for Health Care Security, AARP VT, American Heart Association and VT Cancer Society.

Other supports include individuals who find the current process of enrolling for separate programs burdensome.

6.2 Who else is likely to oppose the proposal and why?

Vermont parents and families may not want data shared across systems and programs. They may desire an option to opt-out instead of automatic sharing of data across systems.

7. Rationale for recommendation: *Justify recommendation stated above.*

This bill outlines two optional short-term strategies offered to states under 1902(e)(14)(A) waivers by the Centers for Medicare and Medicaid Services intended to assist states in the transition to new eligibility and enrollment systems. These are short-term waiver options not expected to be available beyond the end of calendar year 2015. CMS has provided other policy vehicles for ongoing express lane eligibility including: for children through state plan amendments, and has approved 1115 waivers in two states to extend a similar provision to adults.

Different enrollment systems limit functionality to allow for streamline enrollment. Eligibility determinations for 3squaresVT are captured in a separate system that does not interface with Vermont Health Connect. The burden of adding additional system and technology changes would be problematic based on the program and fiscal implications outlined.

Eligibility criteria for 3Squares, Medicaid for adults and Dr Dynasuar for children are different. The state covers children up to 312%FPL and adults up to 133%FPL because Vermont has higher income for children fewer parents would be potentially eligible. In addition, 3Squares eligibility is 185%of FPL and uses income disregards while Medicaid eligibility is based on modified adjusted gross income. Additional review and information would be required to verify eligibility for Medicaid. Because of varied eligibility criteria, implementing fast track eligibility would require a considerable amount of staff time and resources.

These options can be further explored through integrated eligibility functionality.

8. Specific modifications that would be needed to recommend support of this bill: *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

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Specify the type of state activities envisioned to support fast-track enrollment. The state is supportive of targeted outreach through data analysis and mailings. This is a low cost option that may be implemented with low impact to current staffing resources and IT systems.

Remove requirement to request a 1902(e)(14)(A) waiver and replace with generic language requiring the state to pursue necessary federal approval as required to implement the described approach.

Note: The state could request express lane eligibility for children through a state plan amendment and for adults through an 1115 waiver. The current 1115 waiver was approved in January of 2015. The next opportunity for an amendment would be during the next annual review, in January of 2016.

If the legislature is intent upon automated options for fast-track enrollment, extending the timeline to align with the development of the state's integrated eligibility system deployment is preferred.

Secretary/Commissioner has reviewed this document: Steven M. Costantino Date: 2/23/15

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