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Medicaid/CHIP Renewals:
State Practices, Lessons Learned & Opportunities

Thursday, August 13, 2015

12:00 – 1:30pm ET

Conference Line: 1-866-922-3257
Passcode: 602340#
Web address: https://manatt.webex.com/manatt/onstage/g.php?d=579923544&t=a
Web password: Renewals1

Agenda

- Background Context & Setting the Stage

- Renewal Regulatory Overview & Policy Deep-Dive

- Ex Parte Renewal

- Renewal Using Pre-populated Forms

- Discussion

- LC Next Steps

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Background Context & Setting the Stage

Setting the Stage

Renewal regulations issued pursuant to the ACA aim to streamline the renewal process, improve efficiencies for state agencies, and increase retention of eligible beneficiaries in Medicaid/CHIP

States have invested heavily in eligibility and enrollment systems with a focus on increasing enrollment for new applicants and connecting to Marketplace systems

2015 offers the first opportunity to review states' experiences and learn from initial implementation of "MAGI to MAGI renewals," as envisioned by the ACA

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ACA Vision for Renewal

CMS Vision

"States are increasingly re-engineering their renewal processes, recognizing that the traditional process...may be unnecessary and can be burdensome for families and agencies."

The ACA "aim[s] to ensure that individuals remain enrolled for as long as they meet eligibility standards." New guidelines "establish simplified, data-driven renewal policies and procedures for individuals whose eligibility is based on MAGI, consistent with assuring program integrity."

"Medicaid Program; Eligibility Changes Under the Affordable Care Act of 2010; Proposed Rule" 76 Fed Reg 51162 (Aug. 17, 2011)

Achieving the Vision

Regulatory framework and systems/technology investments enable automated and simplified renewal processes

- Administratively efficient processes for Medicaid and CHIP Agencies
- Less burdensome for beneficiaries
- Improved experience for the beneficiaries

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Project Approach

- Review federal regulations and guidance related to renewal

- Through interviews, learn from states about their implementation of ex parte renewals and use of pre-populated renewal forms

- Identify common challenges and potential solutions across states and implementation approaches that other states may want to adopt

- Update "Model Renewal Form," to be shared with states in upcoming LC

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State Interviews

Arizona	Colorado	Florida	Louisiana	South Carolina	Washington

Geography & Population

- Diverse set of states from all over country
- States are renewing at varying volumes of beneficiaries monthly (40,000-500,000)

Systems & Functionality

- States are using a variety of eligibility and enrollment systems vendors, and are at different places in implementing their functionality

Medicaid Expansion

- Mix of Medicaid expansion and non-expansion states

Marketplace Model

- Two State-based Marketplaces
- Four Federally-facilitated Marketplaces

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Renewal Regulatory Overview & Policy Deep-Dive

Renewal Vocabulary Level-Setting

Ex parte renewal:

A redetermination of eligibility based on reliable information contained in the beneficiary's account or other more current information available to the agency, including information accessed through electronic data sources. Happens without beneficiary involvement.

Synonyms:

Auto renewal, passive renewal, administrative renewal

Pre-populated form:

A form provided to renewing beneficiaries that:

1. Is used only when the state is unable to conduct an ex parte renewal;

2. Includes the most current or most reliable information relevant to renewing eligibility that is available to the state, including from the account, electronic data sources, and other state agency records;

3. Requests the beneficiary to report any changes to the information included in the form and provide any additional information needed for renewal; and,

4. Is not necessarily a "form." It may be accessed online or over the phone

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MAGI Medicaid/CHIP Regulatory Requirements:
Renewal Based on Available Information

As of January 1, 2014, Medicaid/CHIP beneficiaries whose eligibility is determined using MAGI methodologies must have their eligibility renewed once (and only once) every 12 months

Unless the agency receives information about a change that may affect eligibility

- Renewal starts with information available to the agency, either contained in the account or accessible in databases
  - ✔ If available information is sufficient to determine continued eligibility, **agency proceeds with renewal**
  - ✖ If available information is insufficient to determine continued eligibility, **agency sends pre-populated renewal form**

42 CFR 435.916
42 CFR 457.343

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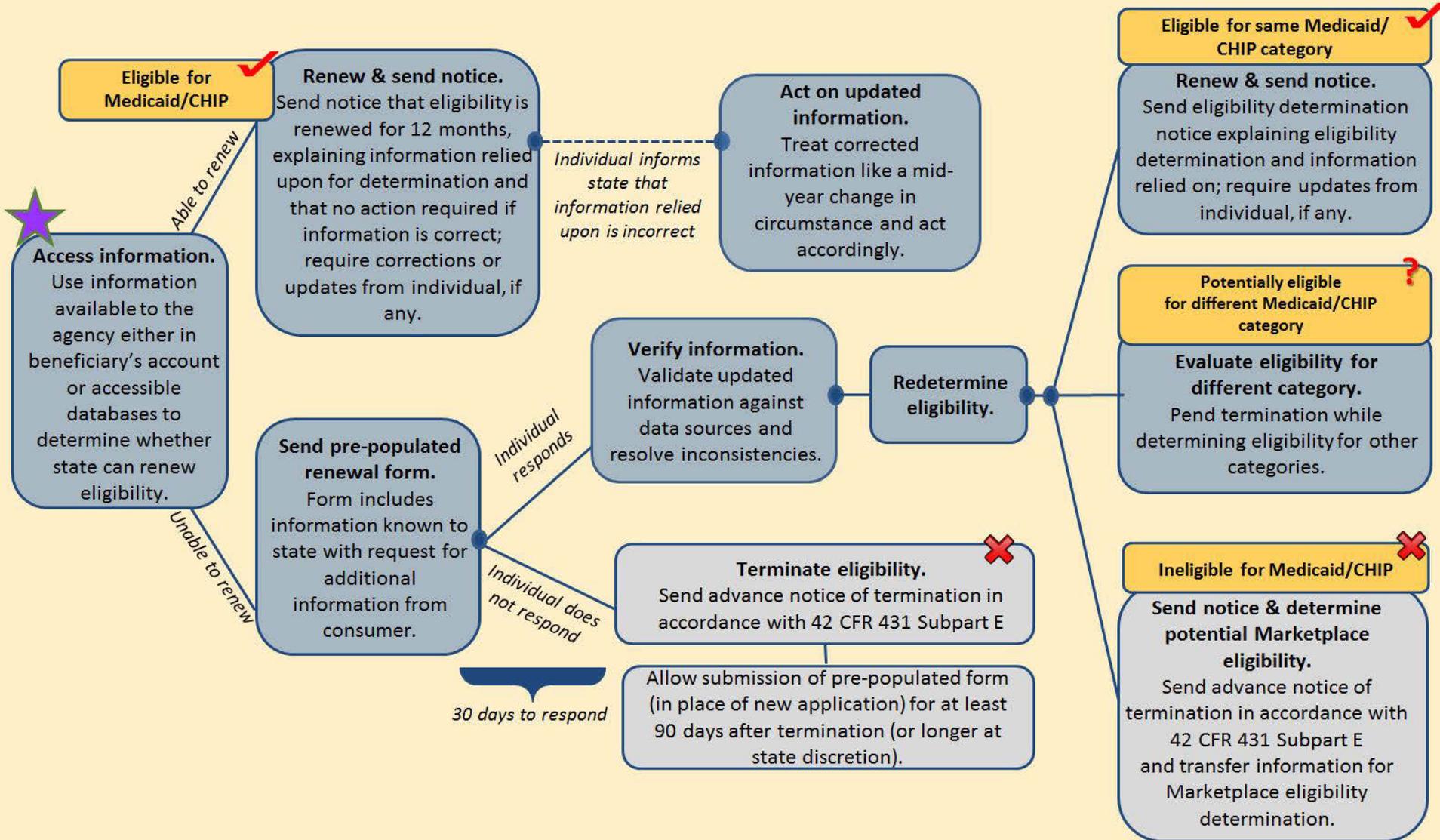
Operational Processes for Renewal

Sufficient to Determine Continued Eligibility

- The agency must attempt to renew eligibility **based on available information** (in account, if reliable, and data sources)

- If available information indicates no change or a change that still results in Medicaid/CHIP eligibility, the agency must renew **without requiring further beneficiary action**

- Consumer must be **notified of determination and basis.** No action required by beneficiary unless information relied upon by the agency is wrong.

Insufficient to Determine Continued Eligibility

- If agency cannot renew based on available information, a pre-populated renewal form must be sent to the beneficiary.

- The **beneficiary must be given a minimum of 30 days** from the date of the renewal form **to provide information, sign and return.**
- **Information can be provided online, by phone, mail and in-person.**
- If the beneficiary responds, the agency verifies the information and provides notice of decision. If the beneficiary does not respond, the agency appropriately terminates coverage with all available consumer protections.

- If the beneficiary **submits the renewal form within 90 days** (or a later date set by the state) after coverage is terminated, the agency must determine the eligibility of the beneficiary without requiring a new application. (Retroactive eligibility would likely fill any gap in coverage for those determined eligible.)

42 CFR 435.916;   42 CFR 457.343

Medicaid/CHIP Annual Renewal Process Flow

Eligible for Medicaid/CHIP ✓

Renew & send notice.
Send notice that eligibility is renewed for 12 months, explaining information relied upon for determination and that no action required if information is correct; require corrections or updates from individual, if any.

Individual informs state that information relied upon is incorrect

Act on updated information.
Treat corrected information like a mid-year change in circumstance and act accordingly.

Able to renew

Access information.
Use information available to the agency either in beneficiary's account or accessible databases to determine whether state can renew eligibility.

Unable to renew

Send pre-populated renewal form.
Form includes information known to state with request for additional information from consumer.

Individual responds

Verify information.
Validate updated information against data sources and resolve inconsistencies.

Redetermine eligibility.

Individual does not respond

30 days to respond

Terminate eligibility. ✖
Send advance notice of termination in accordance with 42 CFR 431 Subpart E

Allow submission of pre-populated form (in place of new application) for at least 90 days after termination (or longer at state discretion).

Eligible for same Medicaid/CHIP category ✓

Renew & send notice.
Send eligibility determination notice explaining eligibility determination and information relied on; require updates from individual, if any.

Potentially eligible for different Medicaid/CHIP category ?

Evaluate eligibility for different category.
Pend termination while determining eligibility for other categories.

Ineligible for Medicaid/CHIP ✖

Send notice & determine potential Marketplace eligibility.
Send advance notice of termination in accordance with 42 CFR 431 Subpart E and transfer information for Marketplace eligibility determination.

Policy Deep Dive on Common Renewal Issues

State Agency Obligations on Mid-Year Changes

Assessing for Eligibility on Bases Other than MAGI

State Medicaid and CHIP Agency Obligations for Mid-Year Changes

States must have procedures in place to ensure beneficiaries submit in a timely way any changes in their circumstances that may impact eligibility throughout the year.

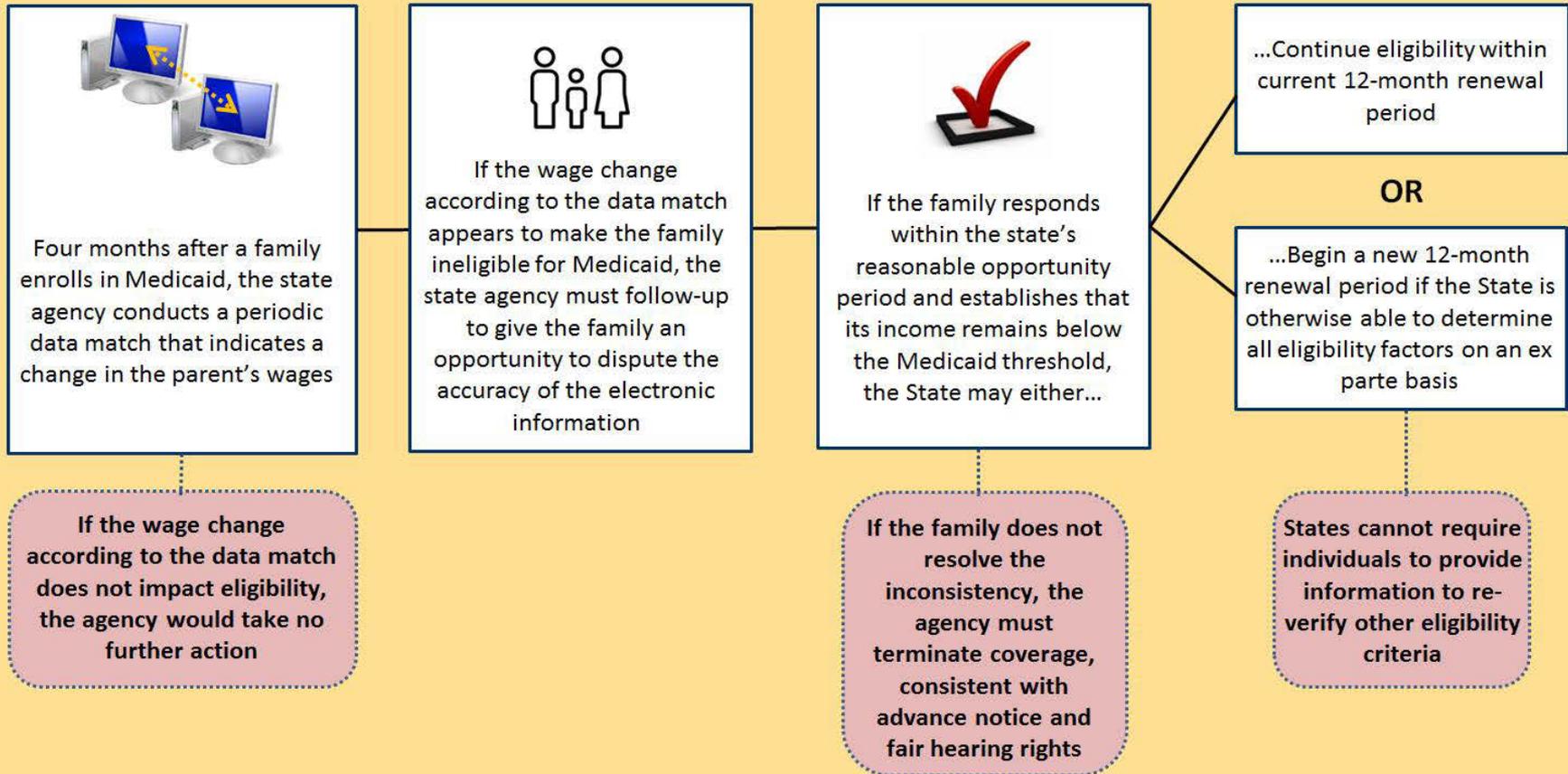- Changes must be reportable through all application submission modes (online, phone, mail, in-person)

If the state receives information about a change during the year (from beneficiary, periodic data match or other reliable source):

- The State must promptly redetermine eligibility

- To conduct the redetermination, the state must only request information related to the change (all factors of eligibility not affected by the change are presumed unchanged)

- If the agency has sufficient information regarding all eligibility factors to renew eligibility without requiring additional information from the beneficiary, the agency may start a new 12-month renewal period. The agency may request additional information about other factors (to be provided on a voluntary basis) to enable the agency to start a new renewal period in appropriate circumstances.

If the state has information about an anticipated change in circumstances that may impact eligibility, it must treat that information as a change in circumstances at that time.

42 CFR 435.916(c) and (d)
42 CFR 457.343

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Mid-Year Changes: Post Enrollment Verification Example

Four months after a family enrolls in Medicaid, the state agency conducts a periodic data match that indicates a change in the parent's wages

If the wage change according to the data match appears to make the family ineligible for Medicaid, the state agency must follow-up to give the family an opportunity to dispute the accuracy of the electronic information

If the family responds within the state's reasonable opportunity period and establishes that its income remains below the Medicaid threshold, the State may either…

…Continue eligibility within current 12-month renewal period

OR

…Begin a new 12-month renewal period if the State is otherwise able to determine all eligibility factors on an ex parte basis

If the wage change according to the data match does not impact eligibility, the agency would take no further action

If the family does not resolve the inconsistency, the agency must terminate coverage, consistent with advance notice and fair hearing rights

States cannot require individuals to provide information to re-verify other eligibility criteria

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Mid-Year Changes: SNAP Example

Five months before a beneficiary's Medicaid renewal date, her SNAP renewal date comes up and updated information is available to the Medicaid agency

The updated information does not appear to impact continued Medicaid eligibility

If the state can determine all eligibility factors without contacting the individual (or obtains anything requiring verification at a regular renewal on a voluntary basis)....

...Then the state may start a new 12-month renewal period, aligned with the SNAP cycle

Assessing for Eligibility When Ineligible for MAGI Medicaid

Non-MAGI Eligibility

If a beneficiary is no longer eligible for the category in which s/he has been enrolled, states must consider all bases of eligibility prior to determining the beneficiary ineligible for Medicaid.

If a current beneficiary losing MAGI-based eligibility appears potentially eligible for or requests a non-MAGI determination, states must request additional information needed to determine eligibility on a non-MAGI basis.

States may not terminate coverage until a determination on other bases is complete.
- States may terminate individuals who fail to provide information needed in a timely way as well as individuals who, based on information provided, the state determines cannot satisfy the eligibility requirements.

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Assessing for Eligibility When Ineligible for MAGI Medicaid

Insurance Affordability Program Eligibility

If a beneficiary is no longer eligible based on MAGI Medicaid and is not potentially eligible on other bases, states must determine potential eligibility for other insurance affordability programs "promptly and without undue delay" and transfer the account appropriately.

Medicaid agencies that have integrated systems and close working relationships with their Marketplace are well-positioned to ensure seamless coverage at renewal
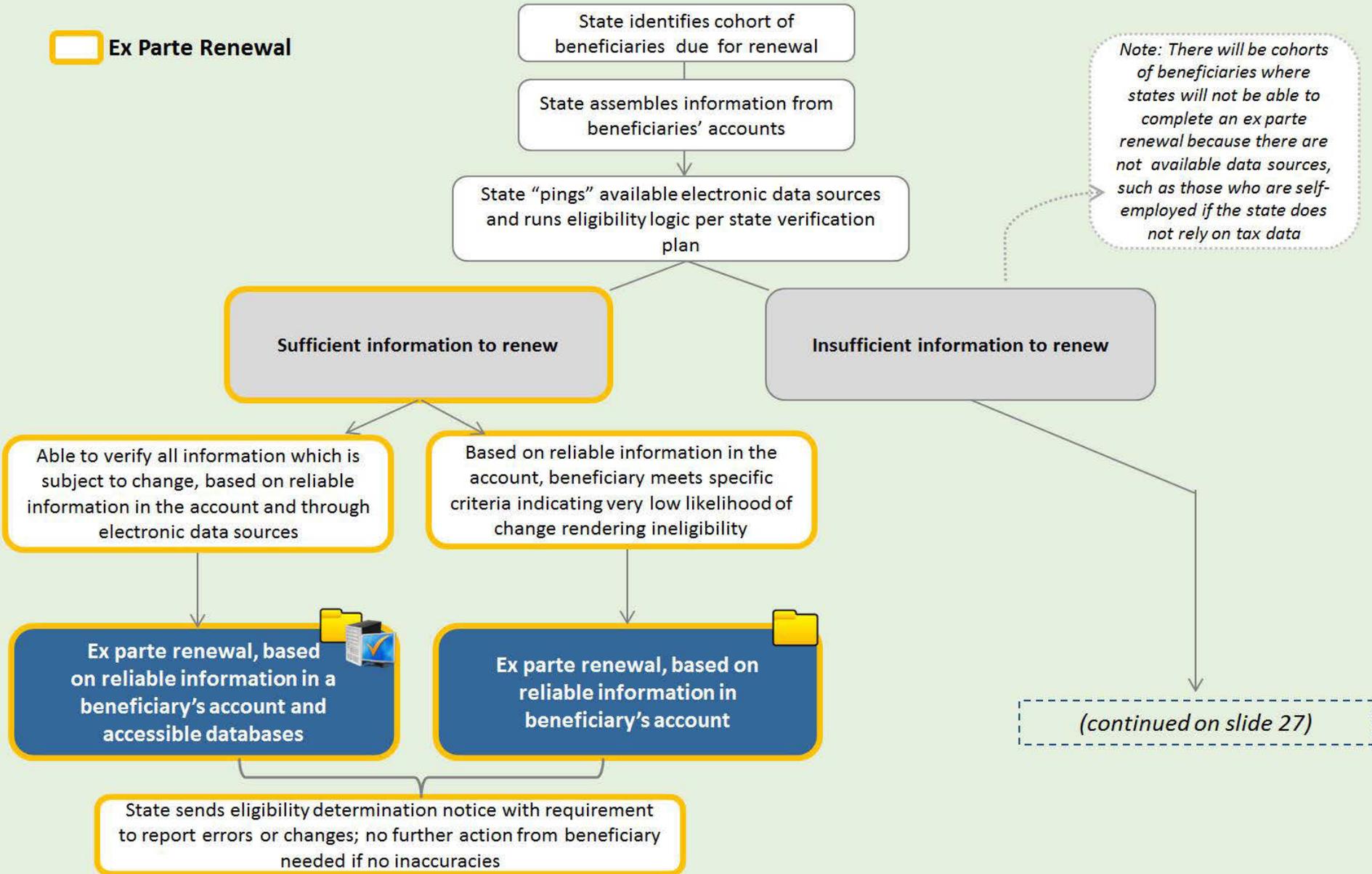
Washington State's Medicaid agency and State-based Marketplace share the same call center and eligibility & enrollment system and work together closely to determine Medicaid beneficiaries' eligibility for Marketplace coverage when appropriate.

If a beneficiary renewing online or through the call center is determined ineligible for Medicaid at renewal, under most circumstances they can move directly into a real-time determination for a qualified health plan with tax credits.

42 CFR 435.916, 435.911, 435.1200

42 CFR 457.343, 457.350

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Ex Parte Renewal

Renewal Processes: Ex Parte

Ex Parte Renewal

State identifies cohort of beneficiaries due for renewal

State assembles information from beneficiaries' accounts

State "pings" available electronic data sources and runs eligibility logic per state verification plan

Note: There will be cohorts of beneficiaries where states will not be able to complete an ex parte renewal because there are not available data sources, such as those who are self-employed if the state does not rely on tax data

Sufficient information to renew

Insufficient information to renew

Able to verify all information which is subject to change, based on reliable information in the account and through electronic data sources

Based on reliable information in the account, beneficiary meets specific criteria indicating very low likelihood of change rendering ineligibility

Ex parte renewal, based on reliable information in a beneficiary's account and accessible databases

Ex parte renewal, based on reliable information in beneficiary's account

State sends eligibility determination notice with requirement to report errors or changes; no further action from beneficiary needed if no inaccuracies

Ex Parte Renewal Notice

If an agency is able to renew based on information in the account or electronic databases, the beneficiary must be notified:

- Of the eligibility determination

- Of the basis for the determination (i.e., the information the agency relied upon in approving eligibility) and the effective date of eligibility

- That the individual must inform the agency if any information contained in the notice is inaccurate

- That if all information is accurate, the individual does not need to take any action.

- Of the requirement and process to report changes in circumstance that may impact eligibility

- Of information on benefits and services, and if applicable, premiums, enrollment fees and cost sharing

- Of the right and process to appeal

Strategies for Renewing with Information from Accessible Databases

| INCOME	HOUSEHOLD/TAX FILING INFORMATION

INCOME

- Verify income eligibility against a **robust combination of federal and state data sources** to maximize the opportunity to find a data match. For example:
  - State sources: Quarterly wage, unemployment, TALX, other public benefit programs, state income tax
  - Federal sources: IRS, SSA, TALX

- Establish a **strategic hierarchy** for electronic verification and **refine data elements/matching criteria** to avoid duplication or conflicts

  Arizona is building the federal employer ID number into their system to permit it to reconcile income information from different sources.

- **Automate** electronic verifications to reduce processing time

- Automate the application of **reasonable compatibility** and apply broader standards (*e.g., 10% threshold*)

HOUSEHOLD/TAX FILING INFORMATION

- For states that are in the process of converting pre-MAGI beneficiaries to MAGI, use the **non-filer rules** if missing tax filing information

  Colorado and Louisiana, among other states, reported that the non-filer rules were helpful during their conversions to MAGI

- **Assume no changes** to household or tax filing status unless a member of the household is aging out of a status (e.g., child is turning 19) or the state has other information indicating potential change.

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Renewing with Reliable Information in the Account
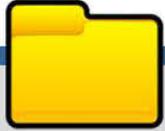
- **States may rely on information available in beneficiaries' accounts to renew coverage in appropriate circumstances. For example:**

  - Income information is current (from recent periodic post-eligibility data matching)

  - The information is not likely to change (e.g., status as a legal permanent resident)

  - The information has remained stable over time (e.g., very low or no income 2 or 3 years in a row)

- **States may develop profiles and embed business rules into their eligibility and enrollment systems to define scenarios appropriate for renewal based on reliable information in the account. For example:**

  - *A Medicaid child, below a state-determined age, with no income, living with a grandparent as a household of 1*

  - *A beneficiary enrolled in the former foster care eligibility group, who will continue to be eligible for Medicaid until age 26, as long as he/she meets the residency requirement*

Impact of Ex Parte Renewal on State Agencies

Washington

"There has been a significant reduction in administrative costs. Pre-ACA, eligibility workers would spend a lot of time renewing people who were clearly still eligible for Medicaid. Now, many of these people can be renewed through ex parte without the time-consuming manual work."

Florida

"Despite an increase in the number of renewals processed each month and the same number of staff, the processing time has decreased by nearly 3 days since implementation of the ACA, which is pretty remarkable."

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Impact of Ex Parte Renewal on Consumers

Colorado

"[Before implementing ex parte renewal], families would freak out when they called us on the last day to renew and were scared to lose coverage. Ex parte has helped create a more streamlined and consumer-friendly experience."

Washington

"If a family doesn't renew on time, clinics will help families re-enroll in real-time so that patients can follow through with their appointment and access services that same day. Before the ACA, people could have to wait up to 45 days to access services if they didn't complete their renewals on time, which is a long time to wait."

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Renewal Using Pre-populated Forms

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Renewal Processes: Pre-Populated Form

(continued from slide 20)

Insufficient information to renew based on reliable information in the account and electronic data sources

Generate pre-populated renewal "form" (for online, phone and paper modalities) using information from the account and electronic data and other sources available to the state. Either...

...Send pre-populated renewal form, requiring additional and/or updated information from consumer. Include information on timeline and process to respond.

OR

...Send notice alerting beneficiaries that it is time to renew. Include information on timeline and process to respond. (Appropriate for individuals who have elected electronic notification)

Beneficiaries have 30 days to respond

Individual responds

Individual does not respond

Validate updated information against data sources, resolve inconsistencies and redetermine eligibility

Terminate eligibility, send termination notice with advance notice and fair hearing

Allow submission of pre-populated form for 90 days after termination (or longer at state discretion).

Eligible for same Medicaid/ CHIP category

Renew eligibility and send notice explaining eligibility determination and information relied on; require updates from individual, if any.

Potentially eligible for different Medicaid/CHIP category

Evaluate eligibility for different category. Pend termination while determining eligibility for other categories.

Ineligible for Medicaid/CHIP

Determine potential Marketplace eligibility and send termination notice with advance notice and fair hearing and transfer information for Marketplace eligibility determination.

Renewing through Pre-Population

Renewing through pre-population requires:

1. pre-populating with information from the account and electronic data and other sources that the state has available,
2. consumer comprehension and response

Critical Components for a Successful Pre-Populated Form:

- **Pre-populating** all relevant data elements
- Ensuring beneficiary **comprehension**
- Minimizing **length**

> _Upcoming LC:_
> **"Model Renewal Form & Considerations for Medicaid/CHIP Renewals"**

Strategies for Increasing Consumer Response to a Pre-Populated Form:

- Conduct **outreach** at renewal and throughout the year to remind beneficiaries of importance of renewal

  - South Carolina and Washington work with their managed care companies to conduct outreach and education to beneficiaries regarding renewal requirements

  - Louisiana makes at least one call prior to closing any case

  - South Carolina sends a newsletter that reminds folks of the importance of returning the renewal form

- Send notice that encourages renewal through **the state's most effective renewal channel(s)**:

  - Louisiana prefers to conduct renewal over the telephone

  - Florida and Washington prefer to conduct renewal online

Discussion

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Acknowledgements

Thank you for providing your time and valuable information:

Arizona

Colorado

Florida

Louisiana

South Carolina

Washington

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Wrap Up

Next Learning Collaborative: Model Renewal Form