

**Vermont MAGI Application Processing, Verification, and Renewal Mitigation Plan
July 2016**

Multiple system deficiencies have affected Vermont’s ability to complete eligibility and enrollment requirements in accordance with regulations. This includes limited functionality for Medicaid renewals, notices, and verifications. This mitigation plan describes Vermont’s application, verification, and renewal processes for Medicaid and CHIP, and where applicable, denotes where the state does not have functionality to support policy, and provides mitigation plans and timelines for fixes for each of the areas in which the state is out of compliance. It also defines specific strategies to implement Medicaid requirements and protect applicants and beneficiaries.

Requirement	Regulation(s)	Steps/Components	Current Status	Mitigation/Mitigation to be Adopted	Timeline		
Single Streamlined Application	<p>Statute §1943 of the Social Security Act</p> <p>Regulations 42 CFR §435.907 requires that the agency must accept an application via the internet website described in §435.1200(f), by telephone, via mail, in person and through other commonly available electronic means. The application must be the single, streamlined application for all insurance affordability programs developed by the Secretary or an alternative approved by the Secretary.</p>	MAGI					
		Submission channels					
		<ul style="list-style-type: none"> • Online <ul style="list-style-type: none"> ○ Electronic signature 	Currently in place for new applications.	Not applicable.	N/A		
		<ul style="list-style-type: none"> • Telephone <ul style="list-style-type: none"> ○ Telephonic signature 	Currently in place for new applicants.	Not applicable.	N/A		
		<ul style="list-style-type: none"> • Paper 	Currently in place for new applicants.	Not applicable.	N/A		
		<ul style="list-style-type: none"> • In-person 	Currently in place for new applicants.	Not applicable.	N/A		
		MAGI Single Streamlined Application					
		<ul style="list-style-type: none"> • Online <ul style="list-style-type: none"> ○ Dynamic/full approval or interim 	On-line application is currently in place for new applicants. VT is working to address a number of outstanding online application issues described in CMS’ Request for Additional Information (RAI) on the SPA submitted for the single, streamlined application and is currently waiting on a timeline from the new vendor regarding when text changes to the online application can be made.	None. VT is working to implement necessary content changes to the online application.	VT will continue to work with CMS through the SPA process to resolve these issues as soon as possible. Online application changes will be made on a rolling basis. VT is still waiting on a timeline from the systems vendor to fix some of these changes and will update CMS as soon as dates are confirmed. Any changes to logic will involve DDI, which will be a longer process than OPA changes.		
		<ul style="list-style-type: none"> • Paper/full approval or interim 	Currently in place for new applicants. VT has agreed to remove language requesting SSNs on extra application pages	None. VT is implementing required change.	The paper application will be updated by 8/1/16.		
		<ul style="list-style-type: none"> • Multi-benefit application 	No multi-benefit application in place	None required.	Multi-Benefit Health Care Application including MABD functionality will be delivered by 12/2017.		

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<p>Single Streamlined Application (cont.)</p>	<p>§435.908 Assistance with application and renewal. The agency must provide assistance to any individual seeking help with the application or renewal process in person, over the telephone, and online, and in a manner that is accessible to individuals with disabilities and those who are limited English proficient, consistent with §435.905(b) of this subpart.</p>	<p>Application Assistance</p> <ul style="list-style-type: none"> • Navigators • Certified application counselors • Eligibility Office • Call Center • Other resources 	<p>Navigators, CACs, and Call Centers are all active. Vermont Health Connect’s 202 Assisters (53 Navigators, 70 Certified Application Counselors, and 79 Brokers) are spread across Vermont’s 14 counties. A map is available at http://info.healthconnect.vermont.gov/assister-map</p>	<p>Not applicable.</p>	<p>N/A</p>
<p>Verifications</p>	<p>42 CFR §435.949 requires that to the extent that information related to verification of eligibility for Medicaid is available through the electronic service established by the Secretary (Federal Data Services Hub), States must obtain the information through such service.</p>	<ul style="list-style-type: none"> • Timely verification of information needed to complete a determination 	<p>On 7/1/2016, the State deployed functionality to pend enrollment for new and renewal Medicaid households who are pending income verification. Applicants with an inconsistency are noticed to provide documentation prior to enrollment.</p> <p>VT received 1902(e)(14) authority to:</p> <ol style="list-style-type: none"> 1. Provide a reasonable opportunity period of up to 120 days to resolve inconsistencies between an applicant’s attestation of income and information from data sources for applicants who applied between 8/24/15 and 12/31/15. 2. Provide a 90-day ROP to resolve such inconsistencies for applicants who applied between 1/1/16 and 5/31/16 	<p>Continued post-enrollment verification for individuals with inconsistencies through a manual lookup and noticing process through June 2016.</p> <p>Vermont will be processing verifications beyond the 90-day post-enrollment timeline as described in the timeline.</p>	<p>RRV is in scope for the RFQ and will be delivered by 12/31/16</p> <p><u>Group 1 (8/24-12/31/15 population):</u></p> <ul style="list-style-type: none"> • Verification noticing and manual lookups for income, SSN, and citizenship and immigration were completed on 6/30/16. • The State will continue to process documents returned after 6/30 promptly. The State aims for a 30-day processing timeline. • Vermont provides a 90-day reasonable opportunity period for income, citizenship, and immigration that extends beyond enrollment. • Verification of all elements will be complete, and any terminations processed for Group 1 by 12/31/16.

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Verifications (cont.)	42 CFR §435.952 – requires that an individual must not be required to provide additional documentation unless the information cannot be obtained electronically or the information is not reasonably compatible, at which point the individual must be provided a reasonable amount of time to furnish additional documentation.				<u>Group 2 (1/1-6/30/16 Population):</u> <ul style="list-style-type: none"> • Verification noticing and manual lookups for income, SSN, and citizenship and immigration to be completed by 12/31/16. • The State will continue to process documents returned after 12/31/16 promptly. The State aims for a 30-day processing timeline. • Vermont provides a 90-day reasonable opportunity period for income, citizenship, and immigration that extends beyond enrollment/renewal. • Verification of all elements will be complete, and any terminations processed for Group 2 by 4/30/17. <u>7/1/16-12/31/16 Population:</u> <ul style="list-style-type: none"> • Beginning 7/1/16, The State began noticing for income verification on a weekly basis. • Individuals who need immigration and citizenship verified will be looked up in ACCESS first as a secondary source before being noticed for any outstanding income, SSN, immigration, or citizenship information. Notices will be sent out as lookups are completed.
		Connections to the Hub <ul style="list-style-type: none"> • IRS, SSA (SSN, citizenship, Title II), SAVE, RRV, TALX, RIDP 	<ul style="list-style-type: none"> • IRS, SSA, RIDP were Live on October 1, 2013; however, the state was only able to use IRS FTI data to verify Medicaid/CHIP data beginning in August 2015. 	None required for IRS, SSA, RIDP, TALX	RRV is in scope for the RFQ and will be delivered by 12/31/16

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Verifications (cont.)			<ul style="list-style-type: none"> • RRV (H79) functionality is pending VHC-side redesign of its verification framework to incorporate the RRV payload which differs from the synchronous calls which were already in place. • TALX is out of scope as the employment landscape in VT doesn't lend itself to this service being very useful. • Immigration Status: VT uses the SAVE through the Hub's VLP for step 1. SAVE steps 2 and 3 are done through the SAVE web-based service. State has hub waiver for 2&3. • Social Security Number (SSN): VT uses the SSA connection through the Hub to verify an individual's SSN. If there is an inconsistency, Vermont enrolls the individual and then engages in a manual process to verify SSN using the legacy system before sending a manual notice for additional documentation. • Citizenship: VT uses the SSA connection through the Hub to verify citizenship. If there is an inconsistency, Vermont enrolls the individual and then engages in a manual process to verify citizenship using the legacy system before sending a manual notice for additional documentation. 	<p>None in place for RRV. Functionality for RRV expected by 12/31/16</p> <p>VT is utilizing the legacy system to attempt to verify citizenship, immigration status, and SSN.</p>	<p>Utilizing the Periodic Verification Composite (PVC, or quarterly non-ESI MEC) service is not currently in scope, but we have posed this question to our vendor.</p> <p>Hub SAVE waiver request was submitted to CMS on 6/14/16.</p>
		<p>Local Data Sources</p> <ul style="list-style-type: none"> • Interfaces with quarterly wage data • Other • Additional electronic data sources planned 	<p>DOL functionality was deployed in May 2015; however, a defect was found that delayed full implementation of the use of DOL data.</p> <p>DOL (quarterly wage) data functionality is still undergoing user validation testing, as a defect</p>	<p>Manual lookup of DOL data and information in the legacy system.</p>	<p>Defect was remediated in 6/8 M&O release.</p> <p>DOL Data for all active VHC enrollees was uploaded on 6/15.</p>

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Verifications (cont.)			<p>has been identified for MAGI Income. The defect has been logged and identified as the number one priority to be reviewed and assessed.</p> <p>VT is currently performing user validation testing to ensure proper functionality.</p> <p>VT uses its data connection with PARIS to verify that an applicant does not have services in other states.</p> <p>The PARIS match is used to identify enrollees in the legacy system, ACCESS, enrolled in Medicaid in another state. PARIS has not been carried over to the VHC system as it was intended to be a part of the IE project.</p>	<p>No mitigation required for PARIS or other data sources.</p> <p>The State is continuing to QA verification results affected by the DOL defect and will resolve any defects identified expeditiously to continue to expand the efficacy of our electronic data sources.</p>	<p>Bulk batch ping that verifies against DOL data uploaded was completed on 6/15.</p> <p>The State has loaded DOL data into the case files for all Medicaid renewals that have been processed since February 2016.</p>
		<p>Verification Triggers</p> <ul style="list-style-type: none"> • Verifications embedded in online application; or • Trigger manually 	<ul style="list-style-type: none"> • Hub ping happens automatically • If reasonable compatibility is not achieved the HUB, DOL is automatically pinged any time the FDSH is 'pinged' as applications are received. • Request for paper documentation if there is no match from Hub / DOL or discrepancy. • The automated DOL ping happens anytime a call to the FDSH is made. If data is available and reasonable compatibility was not able to be met using IRS returned data, the DOL data will be used as a secondary data source. The State received information from DOL on all active members in VHC and completed batch pings on 6/15. 	<p>None required.</p>	<p>N/A</p>
		<ul style="list-style-type: none"> • Reasonable Compatibility 	<p>Currently in place.</p>	<p>Not applicable.</p>	<p>N/A</p>

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Verifications (cont.)		<ul style="list-style-type: none"> System applies reasonable compatibility standard for income 	<ul style="list-style-type: none"> If both the attestation and the data source are above, at, or below the threshold, reasonable compatibility is met. If the attestation is above the threshold and there is no data source, the applicant is automatically denied Medicaid based on their attestation and screened for QHP with credits If the attestation is below the threshold and the data source returns above the threshold; the verification item is set to 'pending review' and paper documentation will be requested. 		
		Updated verification plan	The verification plan with CMS comments was sent to the state on 5/26	Not Applicable.	Verification plan was submitted to CMS on 6/22/2016.
Eligibility Determinations	<p>Statute §1943 and §1902(e)(14) of the Social Security Act §1902(a)(34) of the Social Security Act</p> <p>42 CFR §435.603 requires that, effective January 1, 2014, the state agency must apply MAGI for the purpose of determining the financial eligibility of all individuals for Medicaid and CHIP, except when determining eligibility for groups for which MAGI-based methods do not apply.</p>	Real Time Eligibility			
		Real time eligibility determinations displayed on online application	<p>Currently in place.</p> <p>Real time eligibility and enrollment is processed automatically by the system upon confirmation by the applicant through the portal or the customer service representative if applying through phone. If a premium is due, the premium must be paid prior to enrollment being complete.</p>	Not applicable.	N/A
		Eligibility Cascade			
		<ul style="list-style-type: none"> Support all mandatory and optional MAGI group 	Currently in place.	Not applicable.	N/A
<ul style="list-style-type: none"> Former foster care children 	Currently in place. Former foster care children (age 18-26) are managed in VHC; foster children (age 0-17) are managed in ACCESS.	Not applicable.	N/A		

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Eligibility Determinations (cont.)	42 CFR §440.255 requires the agency to provide coverage for emergency services for certain individuals ineligible for Medicaid due to immigration status or citizenship.	<ul style="list-style-type: none"> Emergency Services for those ineligible for full Medicaid due to citizenship or immigration status 	Currently in place. This is a completely manual process, not run through the eligibility process Eligibility is determined by the Vermont District Offices. The necessity of the emergency services is determined by DVHA clinical staff prior to coverage of the service(s). Once determined eligible, DVHA authorizes the claim payment. The claim is sent to the MMIS to be paid via manual check.	Not applicable.	N/A	
		Provision of Benefits During Retro Period and Reasonable Opportunity Period			Not applicable.	N/A
		<ul style="list-style-type: none"> Determination of retroactive eligibility for MAGI-based and non-MAGI applicants 	Currently in place. Applicants are allowed to apply for retroactive coverage for up to 90 days prior to the month of application.	Vermont is processing verifications beyond the 90-day post-enrollment timeline through 2016.	<u>Group 1 (8/24-12/31/15 population):</u> <ul style="list-style-type: none"> Verification noticing and manual lookups for income, SSN, and citizenship and immigration were completed on 6/30/16. The State will continue to process documents returned after 6/30 promptly. The State aims for a 30-day processing timeline. Vermont provides a 90-day reasonable opportunity period for income, citizenship, and immigration that extends beyond enrollment/renewal. Verification of all elements will be complete, and any terminations processed for Group 1 by 12/31/16. 	

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<p>Eligibility Determinations (cont.)</p>					<p><u>Group 2 (1/1/16 - 6/30/16 Population):</u></p> <ul style="list-style-type: none"> • Verification noticing and manual lookups for income, SSN, and citizenship and immigration to be completed by 12/31/16. • The State will continue to process documents returned after 12/31/16 promptly. The State aims for a 30-day processing timeline. • Vermont provides a 90-day reasonable opportunity period for income, citizenship, and immigration that extends beyond enrollment/renewal. • Verification of all elements will be complete, and any terminations processed for Group 2 by 4/30/17. <p><u>7/1/16-12/31/16 Population:</u></p> <ul style="list-style-type: none"> • Beginning 7/1/16, The State began noticing for income verification on a weekly basis. • Individuals who need immigration and citizenship verified will be looked up in ACCESS first as a secondary source before being noticed for any outstanding income, SSN, immigration, or citizenship information. Notices will be sent out as lookups are completed.

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<p>Eligibility Determinations (cont.)</p>		<ul style="list-style-type: none"> Evaluation of eligibility for other insurance affordability programs after Medicaid denial 	<p>Currently in place.</p> <p>In VHC, if not eligible for Medicaid because of income, individuals are determined for subsidies and directed to enroll in a QHP. If that individual is aged, blind, or disabled, or claims a disability, a MABD application is sent and upon return, they are processed for Medicaid and other programs in ACCESS.</p> <p>In ACCESS, if not eligible for Medicaid because of income, the individual is sent a notice denying them eligibility. Individuals are automatically determined for the Medicare Shared Savings program and/or VPharm and are also screened for medically needy and given a spend-down if needed. If the individual does not have category for MABD, a notice is sent that tells them to apply at VHC. When that application is returned, it is processed at VHC, first screening for Medicaid, then for subsidies and allowing them to enroll in a QHP.</p>	<p>Not applicable.</p>	<p>N/A</p>
<p>Notices</p>	<p>Regulations</p> <p>42 CFR §435.913 requires that the agency send a written notice of the agency’s decision on each application.</p> <p>42 CFR §435.918 requires that the agency provide individuals with a choice to receive notices electronically.</p>	<p>Manual or automated</p> <p>Types:</p> <ul style="list-style-type: none"> Approval Denial Termination at redetermination Request for additional information Other 	<ul style="list-style-type: none"> Eligibility notice automated for new applicants in MAGI. All other notices are manual. ACCESS notices function well. <p>Automated notice functionality for verifications has been delivered. Data quality issues have prevented VT from turning on that functionality. The State is working with vendors on a data</p>	<p>Manual notices for verifications and renewals.</p> <p>VT is exploring ways to make the manual business process more efficient, which includes the use of mail merge functionality.</p>	<p>Automated Verification Notices: 12/31/16 target, dependent on data quality issues being resolved.</p> <p>The State is currently exploring its DDI options to follow the stabilization of VHC. Automated functionality for all types of Medicaid notices is expected in 2017.</p>

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Notices (cont.)			<p>quality clean-up plan in 2016 and turning on these automated verification notices is a priority. In the interim, VT is exploring ways to make the manual business process more efficient, which includes the use of mail merge functionality.</p> <p>Manual Notice Process for renewals: The customer service representative (CSR) enters the application all the way through to the system determination. If Medicaid eligible, the CSR checks to see if MAGI income was verified. If yes, they put the Medicaid plan in the cart and click confirm. This sends the enrollment to WexHealth (premium processing vendor) and to ACCESS, which in turns is sent to the MMIS & PBM. If MAGI income is not verified, the CSR does not put the Medicaid plan in the cart and confirm, but instead, creates a service request to send a manual notice requesting documentation. When the documentation is returned and processed and the customer is determined eligible for Medicaid, enrollment is processed.</p> <p>Real time eligibility is processed in the system; however, the process to get “enrolled” is manual. The SCR must put the plan into the cart and confirm it in order to enroll someone in Medicaid. Once confirmed, the transaction is sent to the premium processor (if applicable) and to ACCESS, which in turn passes it along to the MMIS & PBM so that claims can be paid. For renewals, the CSR is checking to see if MAGI income was verified. If it has been verified using electronic data sources,</p>		

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			then the customer is enrolled. If not, they are sent a manual verification notice and enrollment does not proceed until the customer is verified.		
<p>Renewals/ Redeterminations And Coordination</p>	<p>Regulations 42 CFR §435.916 (a)(2) requires that the agency redetermine eligibility without requiring information from the individual if able to do so based on information from available data sources.</p> <p>42 CFR §435.916 (a)(3) requires the agency to send a prepopulated form to beneficiaries eligible on a MAGI basis, if necessary, and provide the beneficiary at least 30 days to respond and provide necessary information.</p>	<p>MAGI Conducting ex parte renewals</p>	<p>Not currently in place</p>	<p>Paper reapplication process using a partially pre-populated form. Manual list management through passive file functionality was received on 7/1/16 and 3,500 households have been run through the passive file to date.</p> <p>Passive file functionality allows VT to run people in batches through rules engine for redetermination. At this point, the system rules do not distinguish between those who have all items verified and those that don't. Those enrollees are identified manually. Once ex parte functionality is delivered, the system will be able to make that distinction, and the manual list will cease.</p>	<p>12/31/2016.</p>
<p>Renewals/ Redeterminatio</p>					

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Coordination (cont.)	determined to be ineligible for Medicaid, the agency must promptly and without undue delay, determine potential eligibility for, and, as appropriate, transfer and individual's electronic account to, other insurance affordability programs.	programs after Medicaid denial	<p>VHC is the single eligibility system for MAGI Medicaid and QHPs. In VHC, if not eligible for Medicaid, customers are automatically screened for subsidies and directed to enroll in a QHP.</p> <p>In ACCESS, if not eligible for Medicaid because of income, an individual is sent a notice denying them eligibility – that notice refers them to VHC to apply for coverage. In ACCESS, if not eligible for Medicaid because of income, customers are automatically determined for the Medicare Shared Savings program and/or VPharm. If over income, individuals will also be screened for medically needy and given a spend-down if needed.</p>		
Changes in circumstance	Regulations 42 CFR §435.916 requires that the agency be able to accept information about changes in circumstances and allow beneficiaries to report such changes through any of the application modalities. The agency must also promptly redetermine eligibility when information that may impact a beneficiary's eligibility is received.	MAGI			
		Able to receive and process changes in circumstances by MAGI-based enrollees	The State can receive and process changes throughout the year.	Not applicable.	N/A
		Ability to report changes in circumstance <ul style="list-style-type: none"> • Online • Phone • Mail • In-person 	Currently in place.	Not applicable.	The State turned on self-service CoCs on July 1 st and will turn on self-service renewals by 8/1/16.
MMIS interface		Interface			
		Functioning interface between eligibility system and MMIS	Currently in place, via Legacy ACCESS system (VHC sends to Access). Both ACCESS and VHC eligibility is sent to MMIS.	Not applicable.	N/A

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				<p>necessary in order to enroll individuals immediately based on self-attestation. The State will then verify eligibility within 90 days post-enrollment.</p> <p>At present, there is no gap in enrollment due to required verifications because these individuals are enrolled via self-attestation.</p>	

Eligibility System Status:

The State will continue to deconstruct the One Gate technology from its eligibility system, and are in contract negotiations with vendors familiar with One Gate, in order to have more architectural and functional flexibility and options for the long-term. Concurrently, the Maintenance and Operations vendor will continue to build out the necessary functionality to support more automated verifications, full renewal functionality (ex-parte, pre-populated and online self-renewal), automated notices and pend functionality. The State will be issuing a new Request for Proposals (RFP) for a new vendor to build out the remaining functionality needed in the eligibility system to support non-MAGI and human services. The State will continue to have regular meetings with CMS to provide updates on the timeline and progress towards the short-term, high priority functionality and on the development and issuing of the new RFP.

Continuous Improvement:

The State will continue to look for ways to improve efficiency in the overall application, verification, and renewal processes and will consider implementation of new strategies as opportunities develop. This will include continued collaboration with CMS to identify potential additional strategies. The State has weekly status meeting at the executive and leadership level in which operational priorities are discussed. The Mitigation is an ongoing priority topic in this sessions and opportunities to streamline business process and expand functionality are brought to these sessions for discussion and prioritization. The State is also committed to accelerating the timelines contained in the mitigation plan where possible through the delivery of new functionality or the deployment of streamlined business processes. Where accelerated timelines are possible, the State will update its Mitigation Plan accordingly and immediately inform CMCS.

Monitoring and Communication:

Vermont Mitigation Plan

The State will continue to have regular internal meetings on the status of progress on the State's Mitigation Plan. The State will also continue to report to CMS progress on both the implementation of the mitigation plan and the ongoing work to achieve full compliance. Vermont and CMS will continue to meet biweekly, and the State will provide updates and status reports which will include the delivery of a dashboard through the end of the year. The State will revisit the Mitigation Plan as a whole on a monthly basis and be sure to inform CMCS immediately if there are any risks and issues related to the timelines and activities it contains. Any new issues that are identified will be addressed as part of the Continuous Improvement section of this Mitigation Plan and in concert with CMS officials.