

The Coverage Learning Collaborative

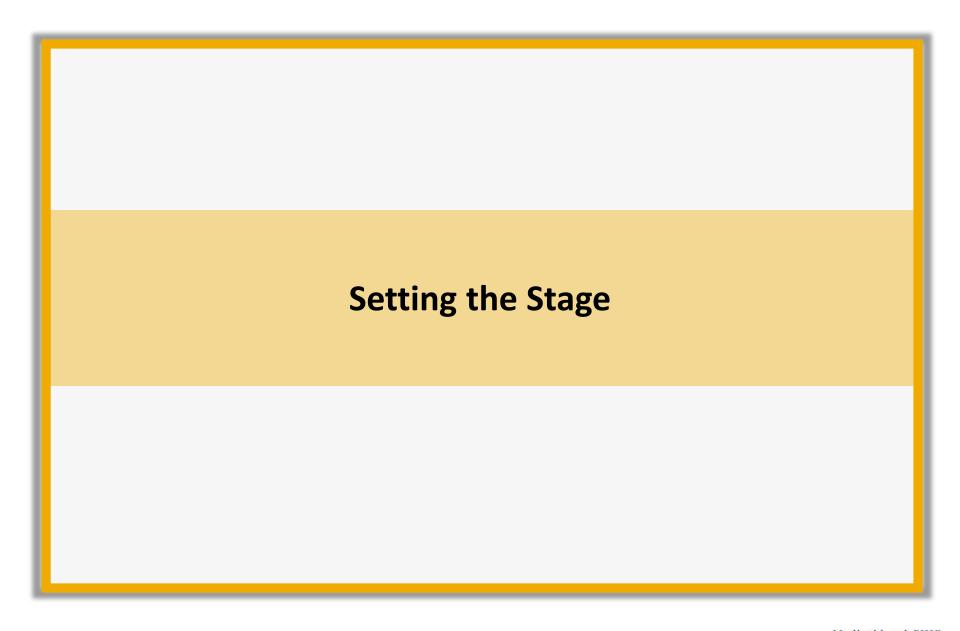
Medicaid & CHIP MAGI Application Processing:
Ensuring Timely and Accurate
Eligibility Determinations

PART I: March 25, 2019, 2:00-3:30 PM (ET)

PART II: April 8, 2019, 3:00-4:30 PM (ET)

- Setting the Stage
- Application Processing: Policies and Procedures That Improve Timeliness
 - Complete and Submit Application
 - Receive Application or Account Transfer
 - Verify Eligibility
 - Determine Eligibility
 - Additional Considerations and Strategies
 - Resources for States







Regulatory Framework – Timely Determination of Eligibility

Eligibility must be determined "promptly and without undue delay."

- 42 CFR §§ 435.912; 457.340
- Eligibility determinations may not exceed 90 days for individuals applying for Medicaid on the basis of a disability, and 45 days for all other applicants.
- Determinations of eligibility for all applicants seeking coverage on the basis of Modified Adjusted Gross Income (MAGI) must be completed within 45 days.
- The timeliness standard covers the period of time from the date of application or transfer from another insurance affordability program (including the Exchange serving the state) to the date the agency notifies the applicant of its decision or transfers the individual to another insurance affordability program.
- Timeliness standards include time given to the applicant to provide additional documentation and for the state to process such information.



Critical Features That Contribute to Timely and Accurate Application Processing



An application design that effectively collects all required information and streamlines submission (by the applicant) and state receipt of the application



A robust verification process that includes electronic data sources, as well as efficient and effective practices for identifying and resolving inconsistencies and obtaining additional documentation, as needed



A well-trained eligibility workforce that is sufficiently equipped to process applications



A well-functioning eligibility system with interfaces to verification data sources that maximizes automated workflows and includes an automated rules engine and master client index to support the determination process



Strong management and oversight of the process, even when determinations are made by other agencies



States' Progress in Processing MAGI Applications

States have made tremendous strides in recent years to improve the efficiency of their eligibility and enrollment processes and systems.

Critical changes that have contributed to improved processing times include:

- Adoption of the single streamlined application for all insurance affordability programs
- Expanded use of online and telephonic applications
- Increased availability of and reliance on electronic data sources for verification
- Enhanced coordination between Medicaid, CHIP, and Exchange eligibility and enrollment processes and systems
- New or refined eligibility systems

State and CMS investment in modernized eligibility systems that include worker portals, electronic beneficiary accounts, interfaces to verification data sources and automated rules engines has significantly improved states' ability to process determinations in a more timely and accurate fashion.



Recent State Performance in Processing MAGI Applications

In November 2018, CMS released the first in a series of issue briefs summarizing application processing time data for February 2018 – April 2018 for 42 states.* The data was reported to CMS by states as part of the Medicaid and CHIP Eligibility and Enrollment Performance Indicators process.

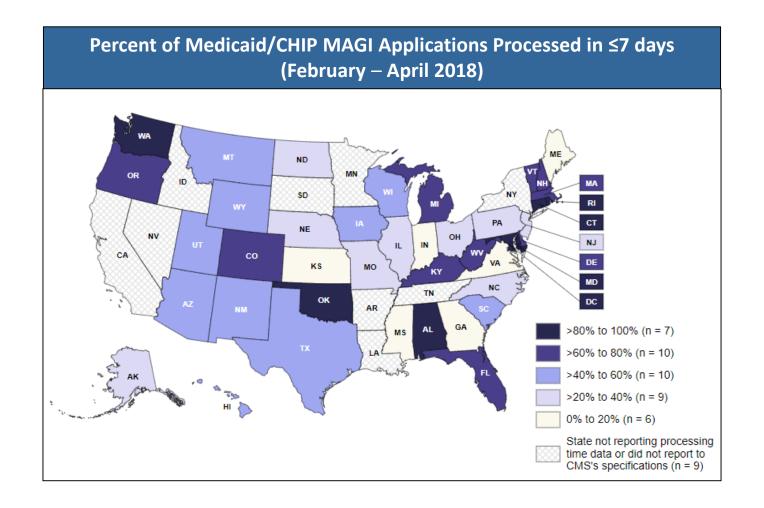
Key Findings

Across the 42 states reporting:

- More than 30% of MAGI determinations at application were made in under 24 hours
- Nearly 50% of MAGI determinations were made in less than 7 days
- In 17 states, more than 60% of MAGI determinations were made within 7 days
- One-quarter of MAGI determinations were made in 31 days or more, with 18-20% being determined in more than 45 days

^{*}As of October 2013, states are required to report monthly data on a set of indicators related to their application, eligibility and enrollment processes, including data on application processing time. More detailed information about the Eligibility and Enrollment Performance Indicators, including the standardized definitions, can be found at: https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html.







Application processing times are constantly changing and are influenced by state policies, practices and external factors.

External factors that influence processing timeframes include:

- Application volume (seasonal or long-term)
- Application design and submission modalities
- State verification policies and practices
- Staffing levels
- Staff expertise
- Level of automation in a state's eligibility system



Recognizing all of these factors, CMS engaged the Coverage Learning Collaborative (LC) to provide support and technical assistance to states seeking to improve the accuracy and timeliness of application processing.



- The objective of this LC is to identify eligibility determination policies and practices that contribute to timely and accurate application processing.
- No one solution can be applied to all states. The following slides highlight a suite of practices and strategies that may be helpful in part or in sum to individual states.



State Interviews + Background Research

- 2018 targeted state interviews to discuss:
 - Workflow for processing MAGI applications
 - Verification policies and practices
 - Challenges and mitigation strategies
- 2017 targeted state interviews on verification processes
- Reviewed findings from prior Coverage Learning Collaboratives and recent national literature on processing timeframes and best practices





Performance Data Analysis

Evaluated state processing practices against state performance indicator data for MAGI application processing times

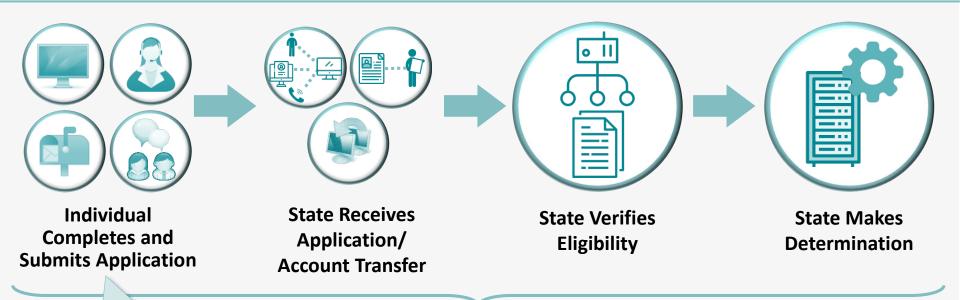
Verification Plans

Reviewed state Verification Plans for state verification data sources and procedures



Application Process Workflow

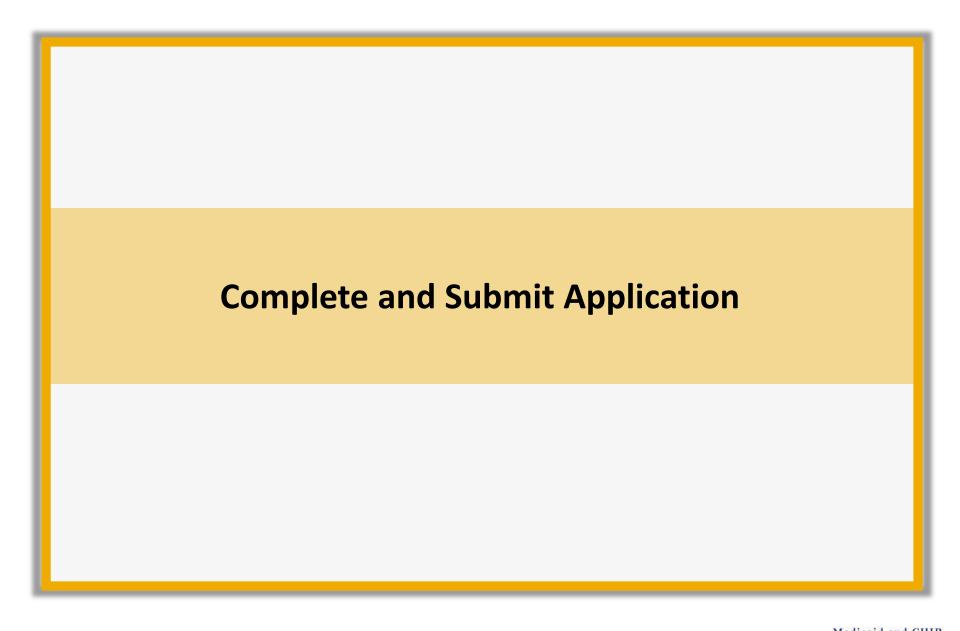
There are four integral steps to the application process workflow that impact processing timeframes, with additional cross-cutting factors that may impact the overall workflow.



Applications can be submitted through four modalities:

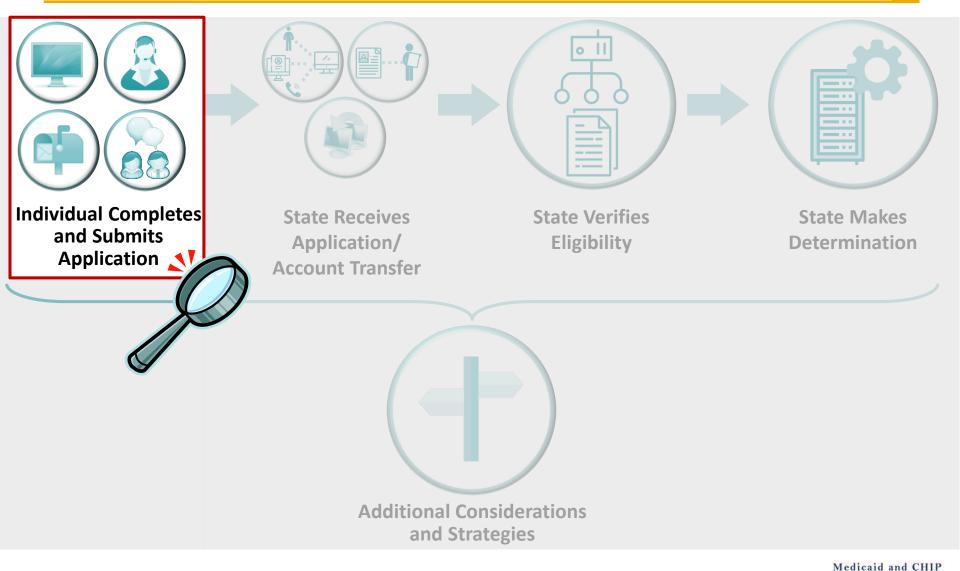
- (1) Online
- (2) Telephone
- (3) Mail
- (4) In-person





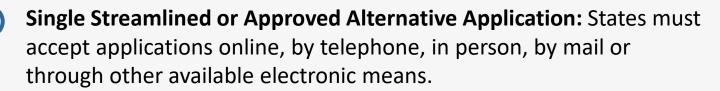


Complete and Submit Application





Statutory and Regulatory Framework for Medicaid/CHIP MAGI Applications



- SSA § 1943; 42 CFR §§ 435.907; 457.330; Guidance on State Alternative Applications
- States may use the model single streamlined application or an approved alternative.
- Alternative applications must:
 - Request information for all insurance affordability programs, including Medicaid, CHIP and coverage in a Qualified Health Plan
 - Only ask applicants for information that is needed to determine eligibility
 - o Be no more burdensome on the applicant than the model application
 - Online applications must be structured in a dynamic manner so that only the relevant questions are asked



Enhanced Online Application and Consumer Assistance Tools

State Practice: Develop consumer-friendly tools that help applicants provide complete and accurate information.

Applications that use plain language and are easy to read and comprehend are more likely to yield complete and higher quality information from the applicant.

States may consider implementing consumer assistance tools such as:

- User-friendly terminology, FAQs and help pages
- Hover functions with helpful explanatory text
- Online chat functionality
- Clear explanations of why the applicant is being asked to provide sensitive information, including why a nonapplicant may want to voluntarily provide their SSN to streamline income verification
- Call center support that can be accessed during application process

State Spotlight



Colorado's online, multi-benefit application includes a live chat function so applicants can seek assistance while populating their responses.



Dynamic Application

State Practice: A dynamic online application that enables applicants to submit accurate and complete information, based on the applicant's unique circumstances.

Collects all the information needed to determine eligibility.

 Tailors questions based on the applicant's circumstances, responses to previous questions and potential eligibility for specific programs.

Integrates validations and data sources.

- Runs validations/checks and alerts the applicant if they have missed answering key questions.
- Checks data sources as application is being completed to help the applicant provide the most accurate information and to identify inconsistent or missing data (e.g., address data entry errors).
- Data sources can also help the state ensure it requests only documentation that is needed to verify eligibility.

The Federally-Facilitated Exchange features a fully dynamic application that states can model. An updated version with enhanced functionality will be completed in 2019.



Utilization of the Online Application Modality

State Practice: Encourage greater use of the online application.

Applications submitted online benefit from states' automated processes and limit dependency on staff and paper-based processes to complete the eligibility determination.

The impact of increased use of online applications on processing timeframes depends on a number of key factors including the design of the state's application (e.g., if it's dynamic) and the degree of system automation.

State Spotlight



States with larger proportions of applications submitted online, such as Florida, tend to have faster processing timeframes.

As of January 2019, 20 states received more than half of their applications online, 38 states allowed applicants to complete and submit an online application using a mobile device, and 18 states – twice as many as in the previous year – had applications designed to be mobile-friendly.

States can implement outreach, consumer communication and marketing strategies to drive individuals to the state's online application portal or to assistors that use the online portal.



Documentation Upload Capability

State Practice: Enable applicants to upload documents as part of the online application.

Applications can be designed to automatically notify applicants of the need for required documentation upon application submission.

States can also enable applicants to upload documentation into the online application/consumer portal. States can accept scanned copies and/or digital photos of documentation via email or text to avoid delays associated with mailing.

 As of January 2019, 35 states allowed applicants to scan and upload documents to their online application.

This functionality speeds up processing by minimizing the time it takes for the state to send a request for documentation and for the applicant to respond by mail.

State Spotlight



- Applicants in Georgia can email or upload documentation directly to their online account.
- The state prefers that applicants upload documentation to their account to enable easy tracking.



Telephonic Application

State Practice: Leverage telephonic applications as an alternative to paper or inperson applications.

- Telephonic applications leverage the online application platform and can therefore benefit from a state's automated processes.
- Most states have call center workers input eligibility information into the online application or worker portal; telephonic applications then follow online application workflows.
- The level of impact this practice will have depends on the design of states' online applications and automated verification processes.

Similar to promoting the use of online applications, states can implement outreach, consumer communication and marketing strategies to drive applicants to call centers to submit an application.



State Spotlight: Florida

- 88% of Medicaid agency applications and 96% of multi-benefit applications are submitted online.
- 39% of Medicaid/CHIP MAGI applications are processed in <24 hours.</p>
- Only one-third of Medicaid applications require additional documentation for verification.







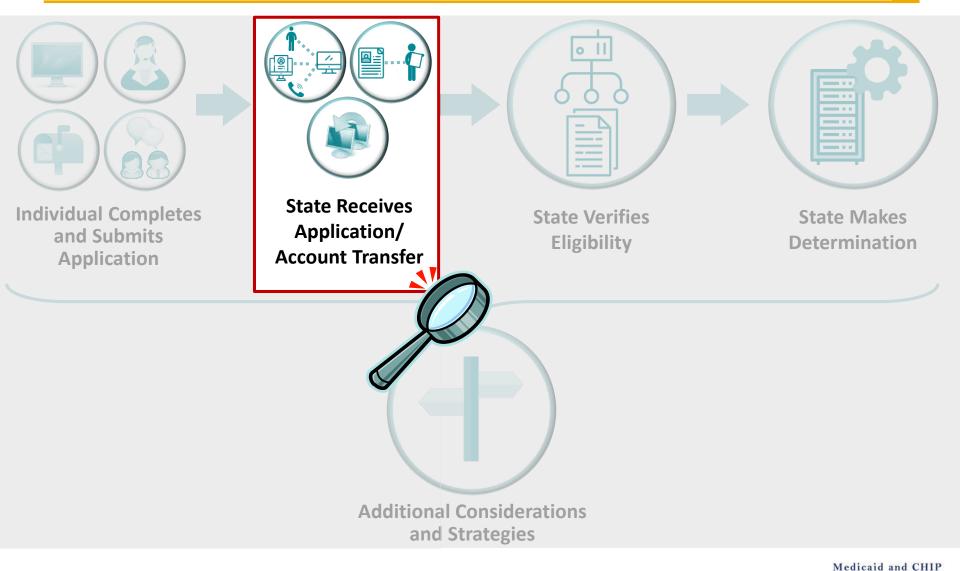
- What other strategies have states pursued to improve the application and result in better processing times?
- Which strategies do states feel will be easiest to implement? Which strategies will require more intensive effort to implement?
- What are states' experiences implementing telephone applications? What are states' perspectives on why utilization of the telephonic application is low compared to paper and online applications?
- What strategies have states pursued to encourage more applicants to use the online application?



Receipt of Application and Account Transfers



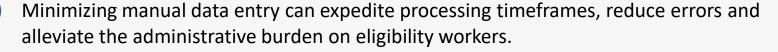
Receive Application





Automate the Receipt of an Online Application/Account Transfer

State Practice: Automate the ingestion of information from a telephonic or online application, or an account transfer, into the state's eligibility system without worker intervention.



Applications where information is automatically ingested into the system and triggered for processing are much more likely to be processed in near- to real-time than applications that require manual intervention (depending on the degree of automation in the workflow).



Create Efficiencies and Targets for Processing Paper Applications

State Practice: Preserve eligibility worker time by employing contractors or support staff to complete data entry, and establish clear timelines for processing paper applications.

- Some states bifurcate the process of sorting applications/entering data and eligibility determination processing and use contractors or other support staff to complete data entry.
- This practice helps increase efficiency by dedicating eligibility staff to the eligibility determination process.
- States can set clear expectations and timelines for the number of days within which a paper application must be entered and determined upon receipt.
- States in our sample that have established internal timelines for processing paper applications have a higher percentage of applications that are processed in <7 days.

State Spotlights



Upon receipt of paper applications, Alabama's
 "distribution unit" sorts the applications, enters them
 into the system and transfers them in batches to
 eligibility workers for processing.



- South Carolina scans and sends paper applications to the state's data entry vendor.
- The state contractually obligates the vendor to input paper applications into the eligibility system within 3 days of receipt.
- Upon data entry, the eligibility system conducts electronic verifications and generates a verification checklist (if needed).



• Eligibility workers in Colorado begin processing paper applications within 2 days of receipt.

Specialized Eligibility Units

State Practice: Create a specialized unit for complex households or applications.

- States may identify specific populations (e.g., mixed-program families) or types of applications (e.g., applications with self-employment income) that are more difficult to process and create a specialized unit with workers who are tasked with completing those eligibility determinations.
- Eligibility workers in specialized units require more robust training to gain the expertise they need to process complex applications.
- This practice diverts the most complex or time-consuming applications from the standard queue for more efficient processing by specialized workers and enables other workers to focus on timely processing of other applications.



Multi-Benefit Applications

Some states reported during interviews that integrating MAGI Medicaid eligibility determinations with other health or human services programs initially increased processing time for Medicaid due to the need for systems and workflow changes and additional worker training.

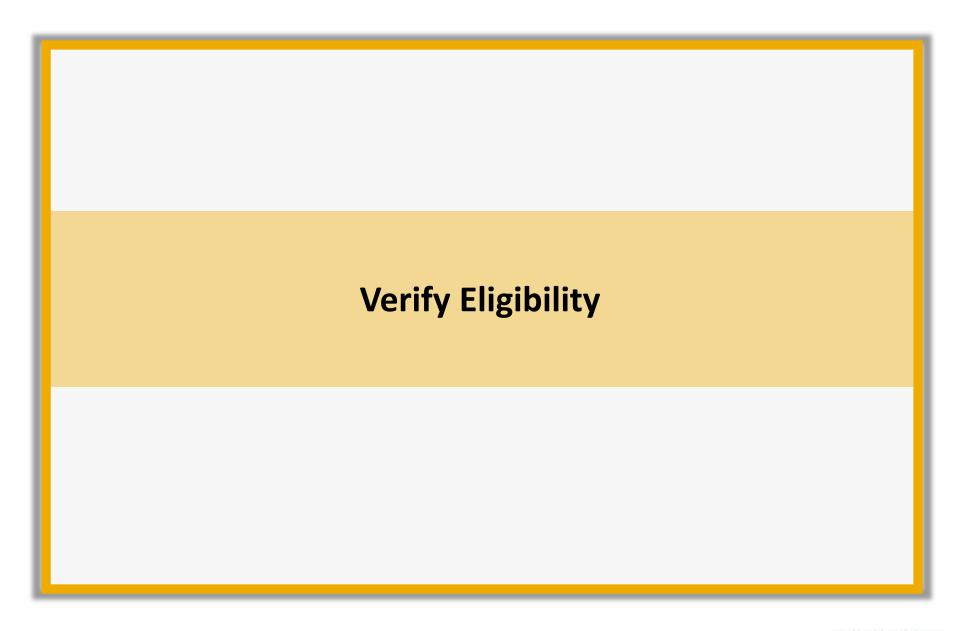


DISCUSSION

- What are states' perspectives on the impact of multi-benefit applications on achieving more timely and accurate processing?
- What are the challenges associated with integrating eligibility systems and processes for applications, and what strategies have states pursued to mitigate these challenges?
- Have states employed any strategies to ensure that Medicaid applications are processed completely, even when information needed for other programs is still outstanding?

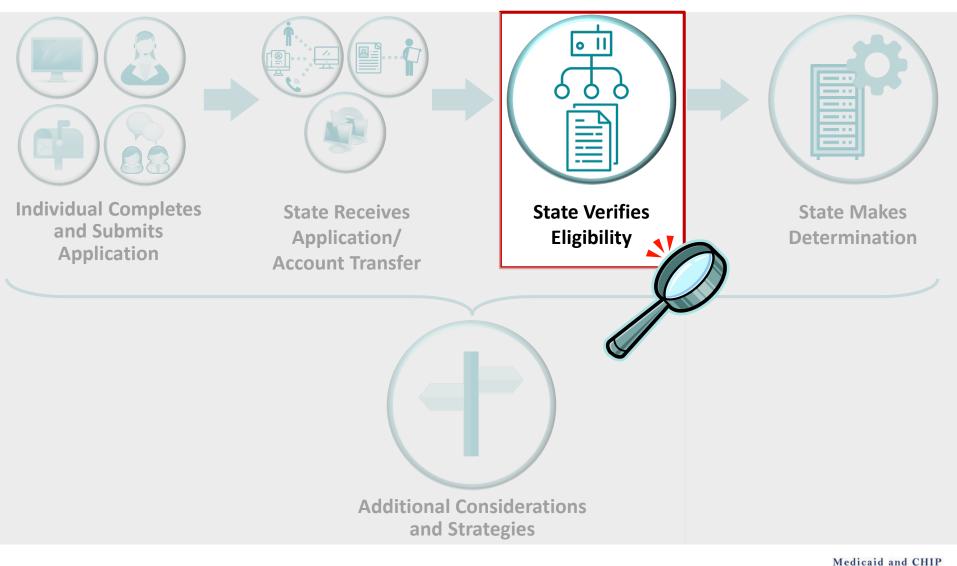
As of January 2019, 25 states had an online application that could also be used for at least one non-health program.







Verify Eligibility





Statutory and Regulatory Framework for Verifying Medicaid and CHIP MAGI Eligibility

Electronic Verification:

- Must use electronic data if available
- Can request documentation only if electronic data is not available and establishing a data match would not be effective
- Within federal guidelines, states have flexibility to determine which federal and state data sources to use and when to use them (frequency and timeframe)
- States must access certain data sources if useful in verifying eligibility

Documentation:

- Can be requested when electronic data is unavailable
- Must be requested when electronic data is not reasonably compatible (unless state accepts reasonable explanation)

SSA § 1137; 42 CFR §§ 435.945; 435.948; 435.949; 435.952(c)(2)(ii); 457.380



Benefits of Automating Electronic Verification

Maximizing automation of electronic verification provides numerous benefits for states and applicants and significantly contributes to more timely application processing.

Defining "Automated Verification"

- Development of electronic interfaces with multiple data sources.
- Establishment of automated calls from the application or eligibility system to the interfaces, without the need for a worker to trigger the action.
- Automatic assessment of reasonable compatibility.

Automated electronic verification:

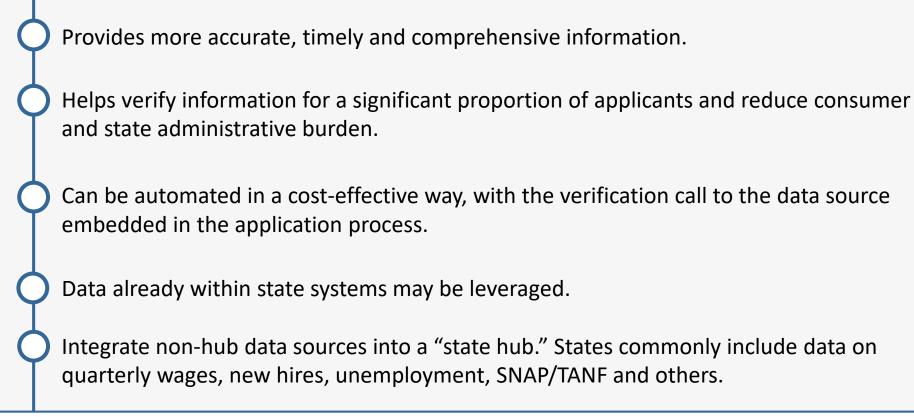
- Streamlines the eligibility determination and renewal process for applicants and beneficiaries.
- Minimizes labor-intensive manual verification processes for states (e.g., collection of additional documentation), thereby increasing efficiencies and decreasing administrative burden.
- Utilizes states' limited resources more effectively.
- Supports program integrity and reduces potential inaccuracies due to human error.





Comprehensive Set of Electronic Data Sources

State Practice: Combine the use of federal and state data sources to enhance a state's ability to efficiently verify applicant information electronically and to identify data inconsistencies that require resolution.





Strategic Hierarchy of Data Sources

State Practice: Define and apply a logic to how and when data sources are called to manage duplication while maintaining accuracy and integrity of automated electronic verification.



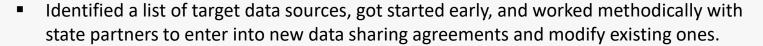
States may establish verification hierarchies based on:

- Scope or type of information
 - Some states prioritize data sources that provide more comprehensive information (e.g., federal tax information).
 - Some states develop a more refined hierarchy that matches information against the specific data source (e.g., matching of earned income with earned income data source).
- Age of information available in the data source
 - Some states prioritize the most current data sources at the top of the hierarchy.
- Whether data sources can be called without manual worker intervention
 - Some states prioritize data sources that are automatically triggered by the system;
 enables the state to verify the greatest proportion of applicants without manual work.



State Spotlight: Arizona's State Hub and Strategic Hierarchy

- State Hub. Arizona built a State hub, to complement its use of the federal hub, which includes the following features:
 - Use of multiple state data sources:
 - Residency: DMV, Retirement System, Vital Statistics
 - o Income: New hire files, SNAP, TANF, unemployment benefits, among others
 - Other: Vital Statistics



- Arizona also uses its state hub to support eligibility determinations for human services programs, including SNAP and TANF.
- **Strategic Hierarchy.** Arizona's eligibility and enrollment system prioritizes data used for electronic verification by most recent data available, whether state or Federal:
- For income: Prioritizes (1) Work number (federal and state hubs), (2) Retirement (state hub) and (3) Quarterly base wage (state hub)
- For date of death: Prioritizes state's Vital Statistics over SSA





Trigger Verification as Part of Online Application

State Practice: Automate verification of eligibility against electronic data sources within the online application process.

Can either be embedded into the application (i.e., performed as application is being populated) or automatically initiated without worker touch immediately upon application submission.

Identifies inconsistencies or enables the system to make a real-time eligibility determination without requiring additional information from the applicant.

This practice can have a significant impact on states' processing timeframes.

State Spotlights



 Alabama's online application verifies responses against electronic data sources as the application is being populated and displays any inconsistencies to the caseworker for follow-up, if needed. A significant number of applications do not require any follow-up.



- Florida initiates electronic verification upon application submission.
- System can access multiple electronic data sources within 24 hours of an applicant hitting "submit."
- Florida views its no-touch verifications as the primary factor impacting its processing timeframes.



Arizona and Pennsylvania have automated, real-time, embedded verification. The states' systems ping electronic data sources in real-time as the applicant moves through application.

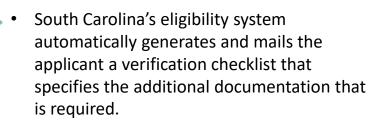


State Practice: Automatically generate and issue a verification documentation checklist or reminder when information cannot be verified electronically.

Practice supports applicant in understanding what documents are necessary to verify eligibility.

In some states, eligibility workers can tailor/augment the checklist manually after it is generated.

State Spotlights





In Ohio, eligibility workers generate a verification checklist if they are not able to verify information electronically. Workers may add comments if needed to the checklist before sending it to the applicant.



Worker Outreach to Complete Verification

State Practice: Conduct telephonic outreach to follow up with applicants who need to submit documentation to resolve inconsistencies or provide information or documentation.

Active telephonic outreach allows eligibility workers to flag needed information and provide assistance to applicants on what documents to submit and how to do so.

State Spotlights



Eligibility workers in Florida directly contact applicants by phone to discuss discrepancies in their responses.



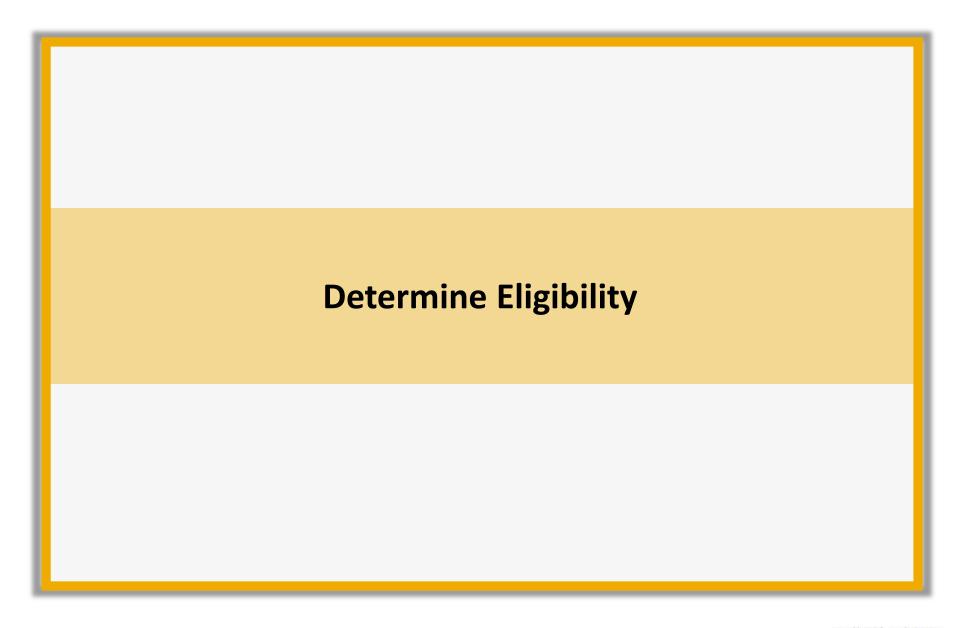
Eligibility workers in South Carolina can preempt the system from generating and mailing a verification checklist by contacting applicants by phone to request additional information.





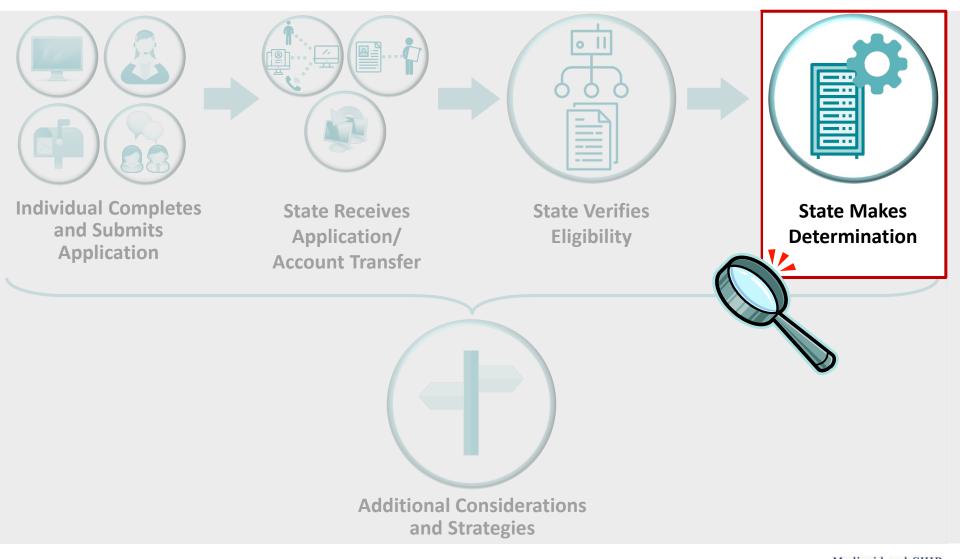
- What are the challenges with using electronic data sources?
- Are there data sources your state has been unable to access?
- Are there any outreach strategies other than mail and phone (e.g., email notification or text) that states have pursued to notify and remind applicants of the need to provide documentation?
- What strategies have states used to help applicants verify self-employment income?
- How many letters do states mail and/or calls do states place to follow up with applicants to complete verification? Have states found specific strategies to effectively obtain timely responses from applicants?







Determine Eligibility



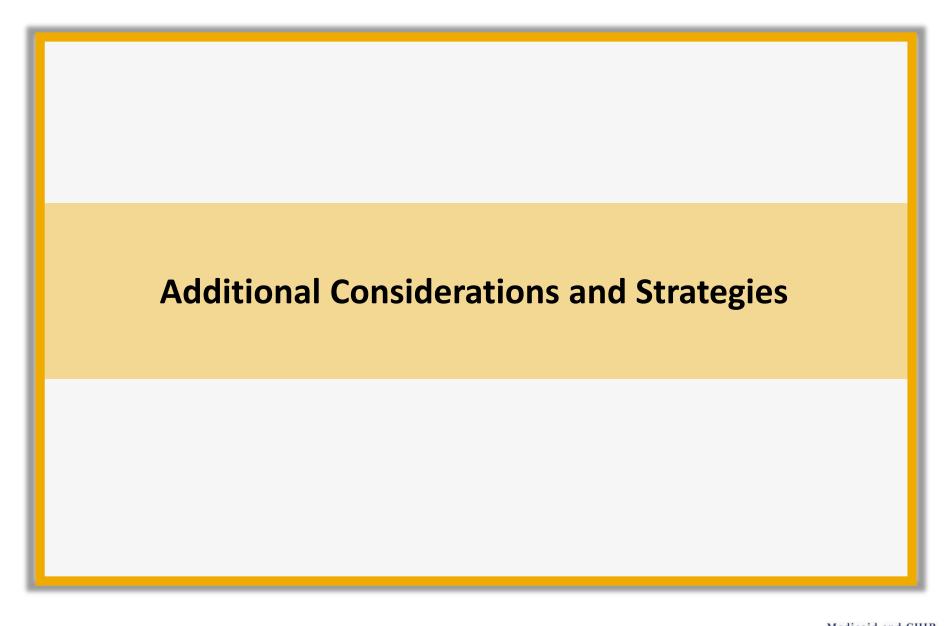


Automated Rules Engine

State Practice: Automate systems' rules engines, including a link to the master client index, when determining Medicaid and CHIP eligibility.

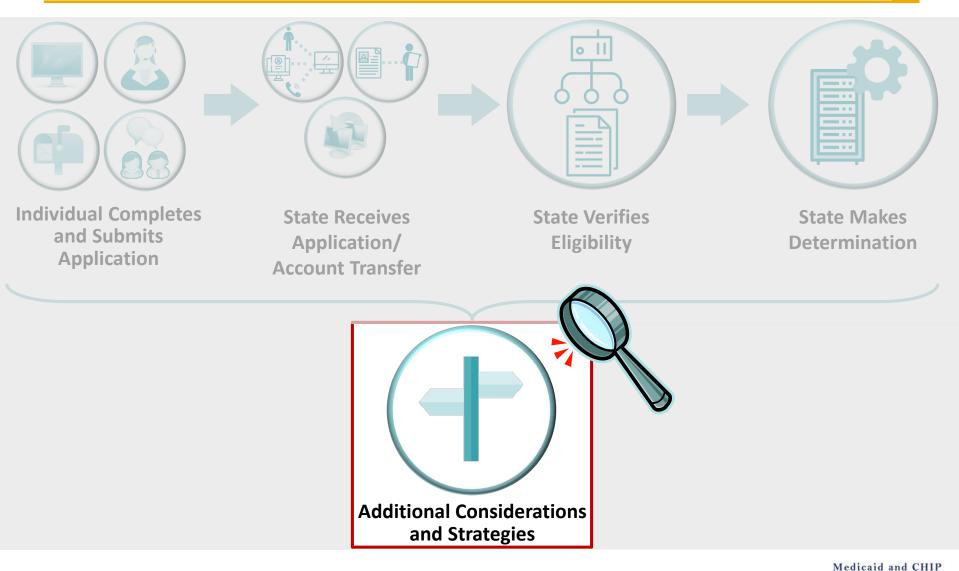
- An automated rules engine:
- Includes the underlying rules for each eligibility group and cascades through groups to check for eligibility without manual intervention.
- Assembles the household for each application to determine eligibility.
- Calculates household income.
- Includes logic, linked to the master client index, to identify applicants who may already be enrolled.
- Links to other workflows as needed, including notices.
- The automated rules engine enables states to process applications faster and with fewer errors as compared to prior manual or paper-based processes.







Additional Considerations and Strategies





Timeliness of Eligibility Determinations:

- Eligibility must be determined "promptly and without undue delay."
- Eligibility determinations may not exceed 90 days for individuals applying for Medicaid on the basis of a disability, and 45 days for all other applicants.

42 CFR §§ 435.912; 457.340

Oversight:

■ The Single State Agency is responsible for determining eligibility in accordance with 42 CFR Part 435. If the single state agency delegates the authority for eligibility determinations, it must ensure the delegated agency complies with all relevant laws, regulations and policies.

42 CFR § 431.10

Training:

• Must provide initial and ongoing training for staff of all levels in order to improve the operation of the Medicaid program. 42 CFR § 432.30



Workforce Training

State Practice: Provide initial and ongoing training to ensure workforce understands eligibility rules and enrollment processes and to make sure they are consistently and appropriately applied.

A well-trained workforce that is equipped to handle all aspects of application processing is essential to timely processing.

Specialized training may be offered to different units or teams to support certain tasks or workflows.

A robust eligibility manual is a critical resource tool.

Ongoing training is critical to ensure workforce stays abreast of changing policies and procedures.

State Spotlight



Colorado is currently surveying existing practices and knowledge gaps across its county offices to develop new, targeted training resources (e.g., strategies for verifying self-employment information).



State Practice: Establish state-specific timeliness standards or goals that are shorter than those required by federal regulations.

Timeliness standards may apply to overall processing timeframes or to discrete parts of the process such as entering information from paper applications in the eligibility system or conducting follow-up for verification.

State Spotlights



Though Florida's official standard is 30 days, its "gold standard" is to complete processing within 10 days.



Alabama has established an internal goal to process applications within 10 days of receipt.



Management Reports and Dashboards

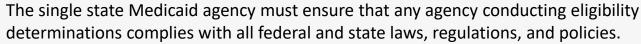
State Practice: Develop management reports that monitor processing timeframes and performance.

- States should establish tracking and management tools or reports that provide data on processing timeframes and other indicators of performance.
- Data should be broken out by application type (Medicaid MAGI, LTSS, disability-based determinations), region/office and other relevant factors.
- Data should also track the number of applications received, pending applications—
 including the age of applications—, and determinations completed, as well as other
 operational standards including client wait times at offices and call center statistics (wait
 times, dropped calls, length of calls).
- These tools will help states track performance and spot issues to be addressed. Most are already reported by states as part of the monthly Performance Indicator Reporting process.



Single State Agency Oversight

State Practice: Ensure Single State Agency oversight and management of the eligibility determination process, including when the authority to make determinations is delegated to another agency.



42 CFR § 431.10

- Applies to local regions, counties or state agencies responsible for Medicaid determinations.
- State Medicaid agencies (SMAs) that delegate eligibility determinations to other entities must establish agreements with those entities. The agreements must:
- Clearly delineate roles and responsibilities of the SMA and the delegated entity.
- Address quality control and oversight by the SMA, including reporting requirements.
- Include assurances that the delegated entity will comply with all relevant regulations.
- Specific and clear agreements facilitate better oversight.
- The Medicaid agency must take corrective action against delegated agencies when there is noncompliance.





- What has been your state's experience with oversight of another agency's eligibility determination work and processes?
- What other practices have states used to improve processing timeframes?



Thank you!

Let us know if you have any updates to your contact information or would like more information on Coverage LC meetings.

Contact: MACLC@mathematica-mpr.com

MACPAC Report and Case Studies, October 2018

Assessment and Synthesis of Selected Medicaid Eligibility, Enrollment, and Renewal Processes and Systems in Six States (October 2018)

https://www.macpac.gov/publication/assessment-and-synthesis-of-selected-medicaid-eligibility-enrollment-and-renewal-processes-and-systems-in-six-states/

Kaiser Family Foundation, 50-State Survey, March 2019

Medicaid and CHIP Eligibility, Enrollment, and Cost Sharing Policies as of January 2019: Findings from a 50-State Survey (March 2019) <a href="http://files.kff.org/attachment/Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Report-Medicaid-and-CHIP-Eligibility-Enrollment-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report-Report

