



Medicaid Eligibility and Enrollment for Justice-Involved Populations

Coverage Learning Collaborative

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Setting the Stage: A Significant Opportunity

Eligibility Rules

Managing Eligibility for Justice-Involved Populations Upon Incarceration

Managing Eligibility for Justice-Involved Populations Upon Release

Working with Correctional Partners

Additional Opportunities and Acknowledgements

Setting the Stage: A Significant Opportunity

Goals of Today's Presentation

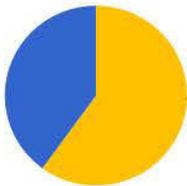
Today's Goal

Address the implications of the Affordable Care Act (ACA) for adults who are facing incarceration, serving a sentence, or being released back into the community, including opportunities to connect them with coverage through effective outreach and enrollment strategies.

A Significant Opportunity

There are significant opportunities to provide Medicaid to justice-involved individuals

- Streamlined processes make it easier to complete the application and enrollment process
- In expansion states, non-disabled adults under 65 without dependent children are now potentially eligible for Medicaid



60% of inmates have incomes below 133% Federal Poverty Level (FPL) before being arrested¹

Even in non-expansion states, justice-involved individuals may be eligible based on age, disability, or pregnancy

¹ See Doris J. James, U.S. Department of Justice, Office of Justice Programs, *Special Report: Profile of Jail Inmates, 2000* (July 2004), available at <http://www.bjs.gov/content/pub/pdf/pji02.pdf>

Justice-Involved Population: A Basic Snapshot



General Facts

- Approximately 1 in every 35 adults in the U.S. was under some form of correctional supervision (probation, parole, prison, or jail) at the end of 2012¹
- Approximately 1 in every 108 adults was incarcerated in a prison or jail at the end of 2012¹



Length of Stay

- Many justice-involved persons cycle in and out of justice system, staying only for brief periods of time
- Particularly in jails, incarcerated persons (and correctional staff) may not have advance notice before release



Health Status

- More than half of incarcerated individuals have a mental health problem
- Two-thirds of incarcerated individuals meet the medical criteria for substance abuse addiction³
- Incarcerated individuals have high rates of chronic and communicable diseases (HIV/AIDS, hepatitis C)
- The justice-involved population is aging, and , age-related illnesses are becoming more common

DEFINITIONS

| <u>JAILS</u> | <u>PRISONS</u> |
|--|---|
| Generally operated by cities and local governments | Operated by state governments and Federal Bureau of Prisons |
| Designed to hold individuals awaiting trial or serving short sentences | Designed to hold individuals convicted of crimes involving longer sentences |

1. *Correctional Populations in the United States, 2012*, U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics (2012)
2. *Mental Health Problems of Prison and Jail Inmates*, U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics (2006)
3. *Behind Bars II: Substance Abuse and America's Prison Population*, The National Center on Addiction and Substance Abuse (CASA) (2010)

Eligibility Rules

Four Key Points

1

Incarceration -- in and of itself -- does not disqualify an individual from Medicaid eligibility

2

Incarceration often changes life circumstances in ways that impact an inmate's Medicaid eligibility

3

Incarceration often changes life circumstances in ways that impact the Medicaid eligibility of family members

4

The “inmate exclusion” precludes Medicaid from paying for most of an inmate’s care

Key Point 1: Incarceration -- In and of Itself -- Does Not Disqualify an Individual from Medicaid Eligibility

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Medicaid Eligibility:



- Incarceration status is not an eligibility factor in Medicaid
- Even if a person is incarcerated, he or she may be eligible for Medicaid

Different from the Marketplace:



- If you're incarcerated, you cannot use the Marketplace to buy a private insurance plan
- If you're in jail or prison but haven't been convicted of a crime, you may use the Marketplace to buy a private health insurance plan

Key Point 2: Incarceration Often Changes Life Circumstances in Ways That Impact an Inmate's Medicaid Eligibility

EXAMPLES: How Incarceration Can Impact An Inmate's Eligibility

1. Parent/caretaker relative status

- Incarcerated individuals are not considered parents/caretaker relatives for Medicaid purposes
- In expansion states, they may still qualify for Medicaid as new adults

2. Income

- Individuals often lose income when incarcerated, which, in turn, can affect whether they meet Medicaid income thresholds

3. Household size

- Incarceration may impact an inmate's household size under MAGI rules, depending on tax filing status
- Note: an incarcerated person must still file taxes if he/she meets the tax filing threshold

Key Point 2: Incarceration Often Changes Life Circumstances in Ways That Impact an Inmate's Medicaid Eligibility (cont.)

4. State of residence

- The state in which an individual is incarcerated is considered the state of “residence” for purposes of determining eligibility
- Exception: if an individual is placed in an institution located in another state, then the individual remains a resident of the state that made the placement, not the state where the individual is institutionalized

5. SSI-related Medicaid

- Persons who qualify for Medicaid due to receipt of Supplemental Security Income (SSI) may lose eligibility upon incarceration unless they can establish other grounds for eligibility
 - SSI must be suspended after one calendar month of incarceration and terminated after 12 consecutive months of suspension
 - When suspension/termination of SSI occurs, Medicaid agencies are obligated to conduct a redetermination to evaluate other bases for eligibility (e.g. under another disability category or as a newly eligible adult in an expansion state)

Key Point 3: Incarceration Often Changes Life Circumstances in Ways That Impact the Medicaid Eligibility of Family Members

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EXAMPLES: How Incarceration Can Impact Family Members' Eligibility

1. Household size

- The incarceration of one family or household member may affect the household size of other family members, depending on tax filing status

2. Income

- The incarceration of one family or household member may affect the income of other family members
- It is rare for individuals to earn income while incarcerated, but they may still have other sources of income (e.g., rental property income) or be eligible for deductions that are factored into MAGI

Example: Smith Family Status Prior to Mr. Smith's Incarceration

Situation: Mr. and Mrs. Smith are married and have one child. Their income is as follows:



Mr. Smith

| Medicaid Category | Household Size | Individual Annual Income | Annual Household Income |
|---------------------------|--------------------------------|--------------------------|-------------------------|
| Parent/Caretaker Relative | 3 (self, Mrs. Smith, child) | \$14,000 | \$24,000 |



Mrs. Smith

| Medicaid Category | Household Size | Individual Annual Income | Annual Household Income |
|---------------------------|-------------------------------|--------------------------|-------------------------|
| Parent/Caretaker Relative | 3 (self, Mr. Smith, child) | \$10,000 | \$24,000 |



Child

| Medicaid Category | Household Size | Individual Annual Income | Annual Household Income |
|-------------------|------------------------------------|--------------------------|-------------------------|
| Child | 3 (self, Mr. Smith, Mrs. Smith) | \$0 | \$24,000 |

Mr. Smith is then incarcerated. The following slides illustrate how each family member's eligibility would be redetermined following Mr. Smith's incarceration.

Example: Mr. Smith's Eligibility While Incarcerated

Medicaid Category:



- No longer qualifies as a parent/caretaker relative because he does not live with a dependent child
- Qualifies as a newly eligible adult*

Mr. Smith's Household Size & Annual Household Income:



1) Mr. and Mrs. Smith plan to file taxes jointly

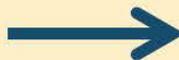


\$10,000

Mr. Smith = \$0
(incarcerated)
Mrs. Smith = \$10,000
Child = \$0



2) Mr. and Mrs. Smith plan to NOT file taxes jointly



\$0

Mr. Smith = \$0
(incarcerated)

*Assumes family lives in a state that expanded Medicaid. If not, Mr. Smith would no longer qualify for Medicaid

Example: Mrs. Smith's Eligibility While Mr. Smith Is Incarcerated

Medicaid Category:



- Continues to qualify as a parent/caretaker relative.

Mrs. Smith's Household Size & Annual Household Income:



1) Mr. and Mrs. Smith plan to file taxes jointly



\$10,000
Mrs. Smith = \$10,000
Mr. Smith = \$0
(incarcerated)
Child = \$0



2) Mr. and Mrs. Smith plan to NOT file taxes jointly



\$10,000
Mrs. Smith = \$10,000
Child = \$0

Example: Child's Eligibility While Mr. Smith Is Incarcerated

Medicaid Category:



- Continues to qualify as a child

Child's Household Size & Annual Household Income:



1) Mr. and Mrs. Smith plan to file taxes jointly and claim child as a tax dependent



\$10,000
Mrs. Smith = \$10,000
Mr. Smith = \$0
(incarcerated)
Child = \$0



2) Mr. and Mrs. Smith plan to NOT file taxes jointly; Mrs. Smith will claim the child as a tax dependent



\$10,000
Mrs. Smith = \$10,000
Child = \$0

Key Point 4: The Inmate Exclusion Precludes Medicaid From Paying for Most of an Inmate's Care

The Inmate Exclusion

- Purpose is to ensure Medicaid does not pay for care that is the responsibility of state/local governments
- With limited exceptions, Medicaid cannot be used to pay for the care of inmates of a public institution
- Applies to individuals who are incarcerated or confined involuntarily in state or federal prisons, jails, detention centers, or other penal facilities

Exception for patients in a medical institution

- Medicaid can pay for services provided during an inpatient stay of at least 24 hours in a medical institution, such as an acute care hospital*

STATUTORY BASIS

The “inmate exclusion” prohibits “payments with respect to care or services for any individual who is an inmate of a public institution (except as a patient in a medical institution)”.

- Section 1905(a) in subdivision (A) after para. (29) of the Social Security Act

* While children are not generally addressed in this deck, note that federal funds are also available for health services furnished to infants living with an inmate.



Managing Eligibility for Justice-Involved Populations Upon Incarceration

Enrollment Strategies Upon Incarceration

- **Application Screening.** Correctional staff may screen for eligibility and assist inmates with applications as they enter facilities or at any point during their incarceration
- **Federal Financial Participation.** States can make use of Medicaid administrative funding at 50% federal matching rate (subject to federal claiming requirements) to support enrollment strategies
- **Authorized Representatives.** An inmate may designate an individual as an authorized representative to act on his or her behalf in matters related to eligibility and enrollment. An authorized representative may not enroll an inmate in Medicaid without his or her consent

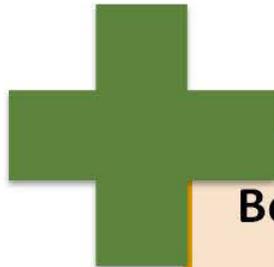
Q: If an inmate does not want to enroll in Medicaid, can agency staff serve as the inmate's authorized representative and enroll the individual in Medicaid without his or her consent?

A: No. The regulations that govern authorized representatives were not intended to allow for a blanket authority to act on behalf of individuals without the consent of such individuals. Any individual who does not wish to apply for Medicaid cannot be required to do so.

Implementing the Inmate Exclusion Through Suspension

What is Suspension?

Inmates' Medicaid eligibility is maintained, but the state Medicaid agency ensures that reimbursement is limited to covered inpatient services in a medical institution

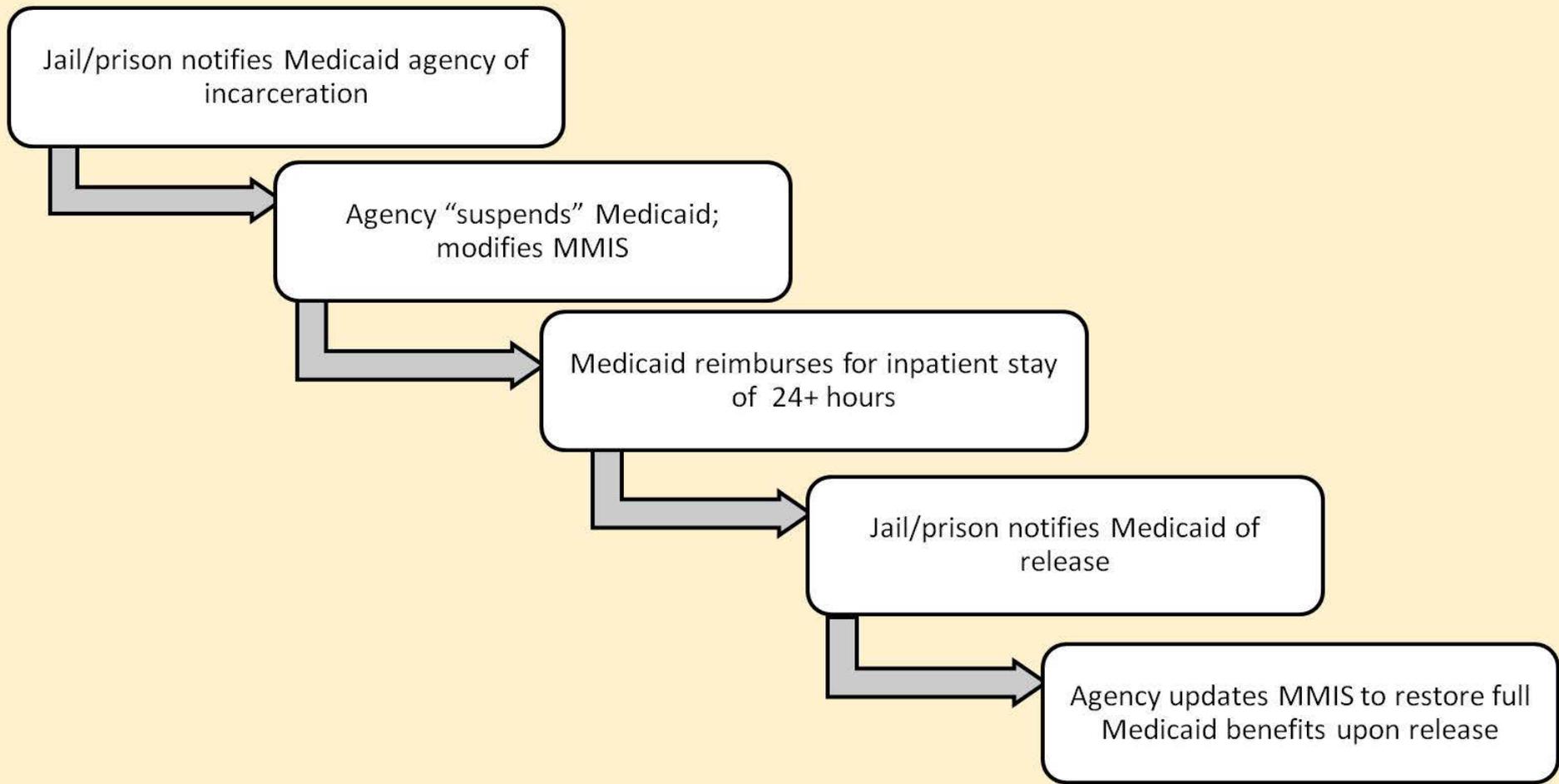


- ### Benefits
- Allows correctional institutions to bill Medicaid for allowable inpatient services
 - May be easier to “re-activate” coverage than to initiate new application
 - Helps ensure timely coverage upon release



- ### Challenges
- Requires extensive coordination between corrections and Medicaid agency
 - Requires system changes, which may be complex
 - Changes in incarceration status can occur with little notice, making timely reactivation challenging

Key Steps in a Suspension Process – One Approach



New York's Experience with Suspension



Presentation by Judith Arnold

Director, Division of Health Reform & Exchange Integration
Office of Health Insurance Programs
New York State Department of Health

Summary of Presentation:

- In 2008, New York began developing a suspensions process to provide justice-involved persons timely access to mental health and substance use services upon release, prevent recidivism, and allow for cost-savings.
- Data sharing was central to these efforts. Over two years, the State established and refined an electronic data-sharing process between corrections and the State Medicaid agency (SMA) that now works as follows:
 - Corrections agency sends the SMA a file of persons who have been incarcerated.
 - A data match is performed, and any persons enrolled in Medicaid are re-coded in the MMIS, switching their coverage from full Medicaid to in-patient only coverage. SMA sends corrections agency a file of the suspended individuals.
 - SMA receives a daily file indicating who is being released in the near future and the release date.
 - When an inmate is released, SMA restores full coverage.
- Released individuals are placed in fee-for-service Medicaid for their first 5 months. They are integrated into managed care during the renewal cycle.
- State began its work with state prisons since they had reliable data on inmates and release dates. It recently started work with jails, which present challenges because they lack electronic file transfer systems to allow for auto-reinstatement of full coverage. Instead, certified application counselors manually reinstate full coverage.

Operational Considerations

- Renewals are required for incarcerated individuals, even in states that utilize a suspension process
- MAGI-based eligibility must be renewed once every 12 months
- If available information is sufficient to determine continued eligibility, then the state reviews the individual and no further action is required of the beneficiary

Renewals for family members

- When renewing eligibility for other members of a household, the redetermination would be based on available information as well as any information provided by family members
- The family would have the opportunity to report changes to household composition and income, such as expected tax filing household for the current tax year, by returning the renewal form to the state Medicaid agency



Managing Eligibility for Justice-Involved Populations Upon Release

Enrollment Strategies Upon Release

Goal: Ensure that inmates are connected seamlessly to coverage upon release so they can access needed services

- Train discharge staff to assist with applications (non-suspension state) or to contact the Medicaid agency to “reactivate” full benefit coverage (suspension state)
- Allow discharge staff to conduct presumptive eligibility (PE) determinations (non-suspension state)*
 - Allows for prompt access to services
 - Addresses challenges that arise when inmates discharged without notice
 - BUT, critical to offer inmate help in submitting regular application and securing ongoing coverage
- Engage parole and probation officers in following up on enrollment and eligibility criteria

Considerations: Enrollment strategies may differ depending upon length of incarceration

Short-Term Incarceration

- Generally involves jails and city/local government
- Less time for discharge planning
- Follow-up more likely involves probation officers

Long-Term Incarceration

- Generally involves prisons and state government/Federal Bureau of Prisons
- More advance notice of release date
- Follow-up more likely involves parole officers

* States can authorize specific types of “qualified entities,” including correctional facilities, to screen for eligibility and temporarily enroll eligible persons in Medicaid through PE.

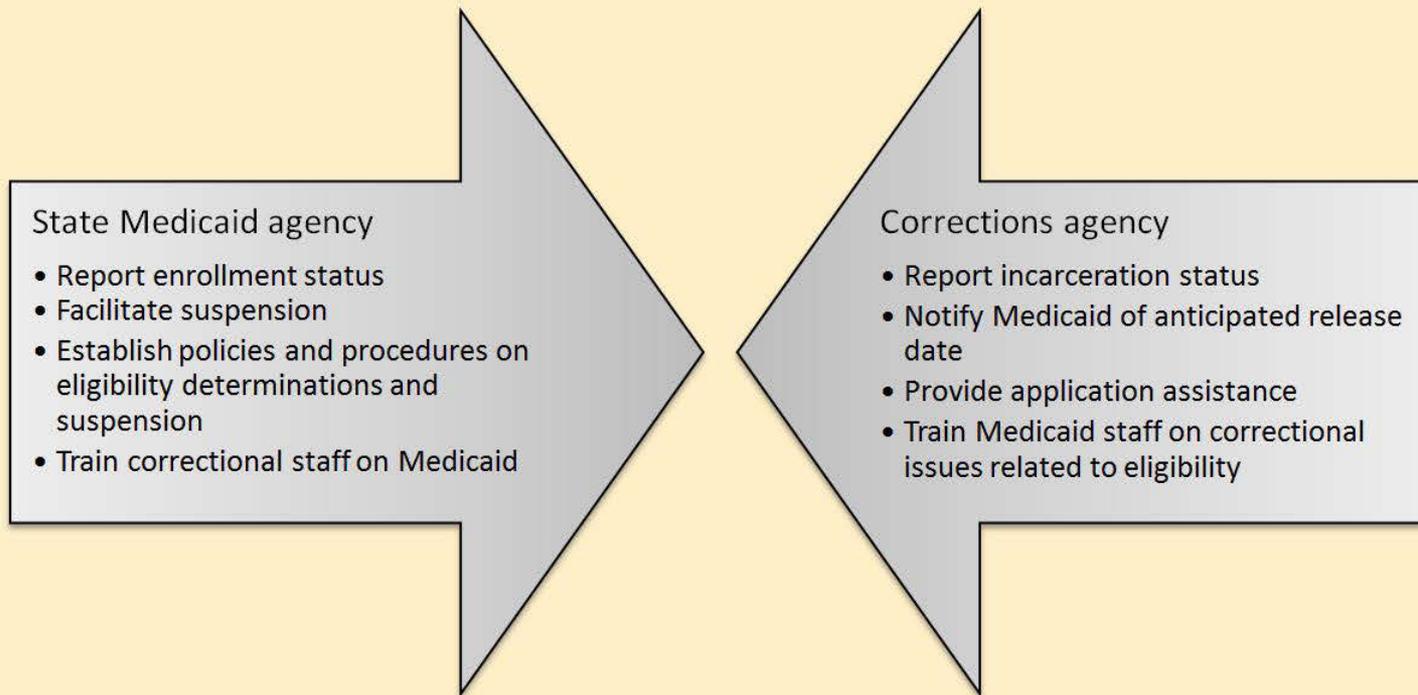


Working With Correctional Partners

Promote Cross-Agency Partnerships

Collaboration is vital when connecting justice-involved individuals to Medicaid

- Critical for Medicaid and corrections agencies to exchange information and data



- Automatic data exchange is necessary to facilitate eligibility and enrollment in Medicaid
 - In short-term, may be more feasible with prisons or large jails
- May want to consider joint guidance and resources on enrollment, suspension, or other best practices (e.g. Illinois¹)

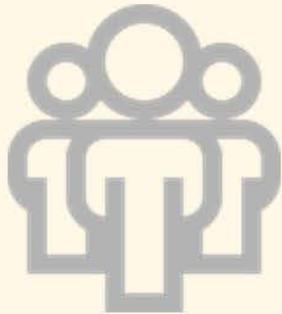
¹ See *A Culture of Coverage for Justice-Involved Adults in Illinois: A Resource Guide for Implementing the Affordable Care Act for Criminal Justice Personnel in Illinois* (Jan. 2014), <http://www2.illinois.gov/gov/healthcarereform/Documents/Health%20Benefits%20Exchange/IL%20ACA%20%20Justice%20Pop.pdf>

Consider Other Community-Based Partnerships



Drug courts

- Screen persons for eligibility in drug courts
- Drug court personnel can work with state Medicaid agency and justice personnel on enrollment and outreach efforts
- Federal financial participation is available to support enrollment efforts



Community-based organizations

- Partner with community-based organizations to support enrollment efforts

Illinois' Experience



Presentation by Jennie Sutcliffe Policy Analyst, Get Covered Illinois Illinois Health Insurance Marketplace

Summary of Presentation

- Illinois has pursued several cross-agency initiatives to enroll justice-involved individuals in Medicaid:
 - The Department of Health, Department of Corrections (DOC), the Governor's office, and advocates participated in a joint workgroup and created a resource guide for criminal justice personnel with background information on ACA rules and information on enrollment opportunities.
 - State conducted extensive outreach to parole officers to integrate healthcare as a core topic the officers discuss with discharged inmates.
 - Using DOC's automatic messaging system, parole officers communicated with parolees regarding the availability of Medicaid coverage and enrollment opportunities.
 - State performed a broad-scale outbound calling campaign to help enroll various parolees.
 - State used navigator programs to facilitate enrollment efforts at larger jails.
- Key lessons from these experiences include the importance of developing messaging that bridges perspectives; contextualizing information (e.g. estimating the number of persons in a parole officer's caseload with mental health issues); and having different, and appropriate, levels of agency personnel join discussions (e.g. having operational staff involved in discussions regarding data systems design).



Additional Opportunities and Acknowledgements

Related HHS Opportunities

A number of federal initiatives may be useful for states working with justice-involved populations:

- 1** The Medicaid Innovation Accelerator Program
 - Offers technical assistance on payment and delivery system reforms
 - Aims to strengthen federal tools and resources to support states in advancing reforms, and to share lessons and best practices

- 2** State Innovation Model Initiatives
 - Provides support to states to develop and test new reform models, including for Medicaid, Medicare, and CHIP enrollees

Acknowledgements

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Feedback/Comments

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Appendix

State Expansion Decisions as of January 2015

