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# **The Secrets of Massachusetts' Success: Why 97 Percent of State Residents Have Health Coverage**

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## **Outline of Presentation**

- Background on Study of Use of Auto-Enrollment for State Coverage Expansion
- Overview of Massachusetts Health Reform
- Findings – What Worked in Maximizing Enrollment
- Lessons for National Health Reform Efforts
- Conclusions

## Introduction

- Just two years after health reform enacted in Massachusetts, only 2.6 % of residents lacked health coverage
- From 6/06 to 9/08, number of insured rose by 432,000
- 56% of state's increase in coverage occurred through Medicaid and CommonwealthCare
- How did Massachusetts achieve such success?

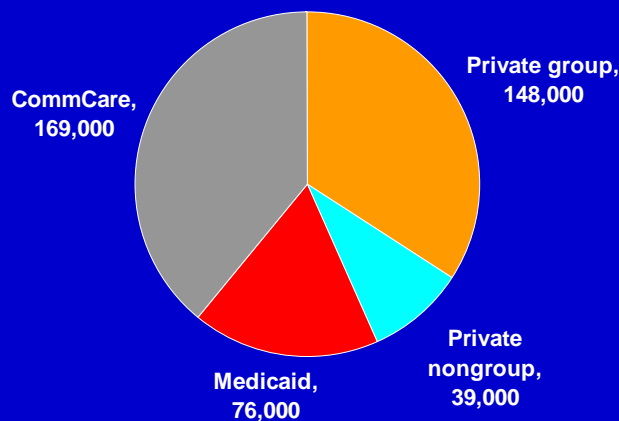
## Overview of SHARE Study: Assessing the First Use of Auto-Enrollment for a State Coverage Expansion

- Focus on Massachusetts' use of uncompensated care pool data to auto-enroll residents into CommCare
- Will use CPS data, health plan encounter data, and state administrative data to analyze take-up rates, administrative cost savings, and utilization
- Consumer focus groups and case study of implementation will support quantitative analyses
- For case study: 2 day site visit (7/09), key informant interviews w/ policymakers, stakeholders, advocates

## Background on Health Reform in Massachusetts

- Subsidies to 300% FPL, thru Medicaid and new CommCare program
- Individual mandate to purchase coverage (excluding those unable to afford, and children)
- Enforced through state income tax system
- Health insurance exchange (the “Connector”) links persons needing insurance w/ health plans

## Quick and Dramatic Impacts: 432,000 Newly Insured Persons in < 2 Years



Source: Massachusetts Division of Health Care Finance and Policy, February 2009

## What Worked?

- *Data-driven eligibility* for CommCare
- *Single integrated eligibility system* serving multiple health coverage programs
- *Grants to community-based organizations* for outreach and application assistance
- *Intensive public education campaign* to raise awareness

## Data-Driven Eligibility and Auto-Enrollment into CommCare

- Eligibility data for persons in Uncompensated Care Pool used to determine eligibles for CommCare
- In '06--48,000 UCP enrollees <100% FPL “auto converted” to CommCare
- In '07--62,000 UCP enrollees b/w 100-300% FPL “auto converted” to CommCare
- All provided choice of health plan; <100% “auto assigned” if didn't select MCO

## **Integrated Eligibility System for Multiple Health Programs**

- Single application form for Medicaid, CHIP, CommCare, Children's Medical Security Program, and UCP
- Single state agency (Medicaid) determines eligibility for all programs
- Common eligibility methods, computerized/logic-driven process
- Greatly simplified process for consumers; prevents anyone from "falling through cracks"

## **Integrated Eligibility System for Multiple Health Programs (cont.)**

- "Virtual Gateway" allows trained/deputized assisters in community to complete applications w/ consumers and submit online
- CBO/provider-based assisters facilitate follow through
- Providers cannot receive reimbursement unless application form is successfully completed (ie, strong incentive to help consumers)
- Over 50% of all Medicaid/CommCare beneficiaries enrolled via Virtual Gateway

## Community-Based Outreach and Application Assistance

- Community-based organizations given “mini-grants” from state to support outreach & enrollment
- Totaling \$2.5-\$3.5 million annually, ranging from \$5,000 to \$20,000 per grantee
- Over many years, grants supported infrastructure of “trusted” agencies w/ experience helping uninsured
- Particularly effective reaching ethnic minority populations

## Intensive Public Education Campaign

- Massive campaign leading up to individual mandate, stressed both benefits *and* penalties
- Partnered w/ Red Sox on TV, radio, and game-time advertisements
- Health plans partnered w/ print ads
- Business partners, too (eg, B of A, CVS)
- Most low-income residents unaware they were exempt; paid keen attention to health coverage/mandate
- CBOs provided detailed info, advice, guidance to these persons

## Lowered State Administrative Costs

- Combined, policies lowered per capita admin costs of eligibility determination
- UCP auto conversions much cheaper than if all had been required to apply
- Applications submitted online cheaper than processing by hand
- Errors substantially reduced by system “logic”
- Single state eligibility agency also created efficiencies
- Annual determinations doubled, but staff was only increased by 10 percent

## Some Challenges Remain

- ***Churning:*** Rates of disenrollment at renewal higher than desired; many return w/in months
- ***Medicaid/CommCare transitions:*** Rules regarding start of coverage not aligned; can cause interruptions in coverage
- ***Coverage for unemployed not included in system:*** One important program left out of integrated system
- ***Some concerns about access:*** Issues of uneven access across state, and uneven utilization by “auto-converted” will be scrutinized in next components of study

## **Combined Effects of Massachusetts' Model**

- Increased participation among eligibles; no need to complete application forms
- Huge enrollment impact—80% of CommCare enrollment w/in 6 months
- Simplified processes cut red tape for consumers, while lowering admin costs for state
- Lowered premiums negotiated w/ MCOs

## **Lessons for National and State Health Care Reform**

- Data-driven eligibility possible w/ federal tax forms
- Single state agency could manage eligibility for Medicaid, CHIP, new subsidy programs
- Single on-line application form for all programs could be designed
- Grants to CBOs could support outreach & enrollment infrastructure
- Extensive public education campaign builds awareness

## Conclusions

- Innovative administrative strategies essential to maximize enrollment, including:
  - Using available data to establish eligibility (w/o filing new application)
  - Applying for all available programs w/ single form
  - Using integrated system for processing and putting people in correct programs
  - Enlisting support from trained CBO/provider staff
  - Conducting intensive public awareness campaign

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