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Louisiana Breaks New Ground: The Nation's First Use of Automatic Enrollment through Express Lane Eligibility

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Outline of Presentation

- Research methods
- Federal policy and Louisiana's approach to Express Lane Eligibility
- Results
- Lessons for States and Policymakers

Research methods

- Document review
- Site Visit - Key informant interviews
  - State Medicaid officials
  - State nutrition program officials
  - Local social service agency staff
  - Community-based outreach organizations
- Focus groups with parents of children enrolled via Express Lane Eligibility
- Analysis of state administrative data

Express Lane Eligibility (ELE): federal law

- An option created by CHIPRA (Children's Health Insurance Program Reauthorization Act of 2009)
- State Medicaid and CHIP programs may use findings of other need-based programs to establish eligibility
  - Irrelevant to such eligibility are technical differences between programs' eligibility rules
  - ELE can be used to establish any element of Medicaid/CHIP eligibility except for citizenship

Federal ELE law (continued)

- Before data from other program are accessed, family must be given a chance to "opt out"
- Before a child is "automatically enrolled," family must affirmatively consent
  - By phone, in writing, or through other methods
- Can use ELE for enrollment, renewal, or both
- ELE is one of 8 "best practices" (to qualify for CHIPRA performance bonus, states must implement at least 5 of 8)

Louisiana's history with eligibility simplification

- Renowned for innovative enrollment simplification
- National leader in automated/ex parte renewal
- Received CHIPRA performance bonuses ($3.6 million in 2010, $1.9 million in 2011) for employing: continuous eligibility, no asset test, automated renewal, no in-person interview, joint Medicaid/CHIP application and renewal forms
- State legislature passed Express Lane Eligibility in 2007, *before* it was even a federal option
- Formally adopted by state shortly after passage of CHIPRA in '09

Louisiana's approach to ELE

- Grants eligibility based on findings from the Supplemental Nutrition Assistance Program (SNAP, formerly known as Food Stamps)
  - SNAP eligibility limited to families with "net incomes" below 100 percent FPL
  - Household definitions, income disregards different from Medicaid's
- Used for both enrollment and renewal

"It happened one night"

- In February 2010, 10,573 children enrolled into Medicaid in a single night, based on SNAP records -- How did this happen?
- In 2009, data matches with SNAP identified children receiving SNAP but not Medicaid
- State narrowed list of such children to
  - Identify and remove "duplicates" already receiving Medicaid
  - Limit initial enrollment to children already known to Medicaid from prior applications or coverage
- With previously unknown children, manual confirmation needed before enrollment

More lead-up to that magical night

- State sent "opt-out" letters to parents of all children remaining on the list
  - Result: very few parents opted out (<1%)
- Affirmative consent process
  - Sent Medicaid cards to parents, w/ letter indicating that use of the card = consent to enrollment
  - Note: Louisiana Medicaid is fee-for-service

Enrollment: Not just a one-night stand…

- Starting in Jan. 2010, SNAP application forms modified to include ELE "opt-out"
- Except for children who opt out, monthly data matches identify children receiving SNAP but not Medicaid
- State moving towards daily data matches
- SNAP application changed again in Jan. 2011 to have "opt in" check-box

Coming back for more: Renewals

- Renewing eligibility for all children
  - At renewal, if data match shows a Medicaid child is receiving SNAP, the child's Medicaid eligibility is automatically renewed
  - Does not apply to a family if Medicaid is provided to (a) a parent or (b) a child not receiving SNAP
- Renewing eligibility for ELE children
  - Parents who did not use the card get another chance to consent – very few take advantage of opportunity

Results: Enrollment

- By December 2010, 20,589 children had been sent Medicaid cards via ELE
  - 11,149 of these children (54%) used services
- From 2009 to 2011, the proportion of uninsured among Medicaid-eligible children fell from 5.3 percent to 2.9 percent
  - State officials attributed this to ELE, the only new initiative implemented during this period
  - All other groups of children and adults saw uninsurance increase
- Community outreach groups said:
  - Before ELE, always saw uninsured children at community events
  - After ELE, no uninsured children at these events!
- ELE children more likely to be older and to live in underserved areas, compared to other Medicaid children

Results: Renewal

- Among initial ELE enrollees, renewal varied dramatically based on whether the family ever used the Medicaid card
  - 92% of card users renewed coverage
  - 12% of other ELE children renewed coverage
- ELE is now responsible for 26 percent of all Medicaid renewals for children

Results: administrative savings

- Up-front investment cost $600,000
  - Mostly IT, funded by RWJF through MaxEnroll
  - In future: potential 90 percent FMAP
- Operational savings
  - During the first year of ELE enrollment: between $1.0 and $1.1 million
  - During the first year of ELE retention: between $8.0 million and $11.9 million
- Bottom line: for each $1 to create ELE infrastructure, between $15 and $22 in administrative savings after one year

Focus Group Results: What do parents say about ELE?

Parents told us they:

- Recalled receiving letter informing them that children were eligible for coverage
- Were initially caught off guard ("This can't be right?!?")
- Were thrilled to learn their children were covered

  ("It's a blessing…" "Like a gift from God…")
- All obtained services for their kids
- Found renewal to be very easy

  ("It wasn't even a 'process'…")
- Some would not have applied for Medicaid; they didn't think their kids were eligible

Lessons for States/Policymakers

- "Simplification isn't simple…but the juice is worth the squeeze…" Ruth Kennedy
- Express Lane Eligibility is not a "push button" operation
- ELE is an important additional tool for states seeking to expedite enrollment and retention
  - Increases participation, reduces administrative costs, prevents manual errors
  - SNAP is a great candidate for ELE – food is fundamental
- ELE can facilitate states' move towards data-driven eligibility under the Affordable Care Act

Lessons (continued)

- Why did it work?
  - Culture change occurred over many years
  - Willing partner in SNAP agency (plus, no downside risk for SNAP)
  - MaxEnroll involvement—money for staff, IT programming, and extensive TA
  - Centralized eligibility system is critical
  - Effective messaging to policymakers – stressed efficiency, not increases in enrollment