Simplifying New York's Public Health Insurance Programs: Making It Easier for Families to Connect to Coverage

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Introduction

Despite the tremendous progress New York has achieved over the last decade in decreasing the number of uninsured children and adults in the state, 2.2 million remain without coverage.[1] Of these individuals, 900,000 are already eligible for a public health insurance program but are uninsured due to existing bureaucratic enrollment and renewal hurdles. Seventy-six percent of uninsured children could be enrolled in either Child Health Plus A or B, and 34 percent of adults could be enrolled in Medicaid or Family Health Plus, but are not.[2]

New York has made great strides in creating a more accessible public health insurance system for low-income families. This has been a result of concrete and effective program simplifications ranging from a unified and simplified application, the creation of mail-in renewal and the expansion of the Facilitated Enrollment Program. Most recently, Governor Eliot Spitzer and the New York State Legislature passed simplification policies that would further increase enrollment and retention such as 12-month continuous eligibility for adults, presumptive eligibility for children and the elimination of documentation at renewal.[3]

While these programmatic simplifications have had a considerable impact on enrollment, with nearly 1 million uninsured New Yorkers already eligible for a public health insurance program, more must be done to simplify the enrollment and renewal procedures in order to secure full participation. As New York explores the option of expanding public health insurance income eligibility levels in order to achieve comprehensive health insurance reform, it is incumbent on the State to also focus its efforts on improving the existing public health insurance programs. This report examines policy simplifications that would strengthen the current enrollment and renewal pathways, making the current system more navigable for uninsured New Yorkers and securing the solid foundation necessary to expand New York's public health insurance programs.[4]

A Family's Experience Applying for Public Health Insurance

A typical experience for a family attempting to apply for public health insurance begins with completing a six-page application, the first of many administrative hurdles. Despite New York's best efforts to streamline public health insurance applications, the majority of families do not know how to fill it out and do not understand what information is being asked of them. For example, in order to apply for Child Health Plus B and Family Health Plus, a family must pick a health plan at the time of the application. Without the assistance of a local district, a facilitated enroller or a health advocate this is an extremely difficult and confusing task for a family to accomplish on their own.

In addition to the difficulties in understanding the application, a family is required to provide multiple documents to prove their eligibility. At a minimum, a family applying is required to provide at least four documents: proof of income, identity and age, citizenship/immigration status and proof of any other health insurance the family can access. Because Child Health Plus A and adult Medicaid are net

[1] Allison Cook, Dawn Miller and Danielle Holahan, "Health Insurance Coverage in New York, 2004-2005," Urban Institute and United Hospital Fund, November 2007.
[2] Id.
[3] New York State Health and Mental Hygiene Budget of 2007-2008 enacted into Chapter 54 of the Laws of 2007.
[4] This report was made possible through the generous support of the Altman Foundation. Laura Braslow and Melinda Dutton at Manatt, Phelps and Phillips, LLP contributed legal and policy research for this report. CDF-NY is also grateful to the diverse group of public health advocates who comprise the Policy Simplification Workgroup and whose knowledge and expertise helped inform this report's recommendations.

income eligibility programs and allow for retroactive coverage, a family may be required to provide documentation if they seek child care deductions or if they want coverage for previously incurred medical bills. Additionally, adults applying for Medicaid or Family Health Plus are required to meet an asset test to verify that their savings do not exceed allotted levels.

Even if a family has been able to successfully complete the application and gather up their multiple documents, they must still partake in a face-to-face interview at a community-based or health plan facilitated enroller or a local district of social services office. For families who work long hours, finding the time to meet this requirement is difficult to arrange.

Once the face-to-face interview is met and the application is submitted to the local district of social services for eligibility determination, the local district is charged with scanning documents and entering eligibility information into a budgeting and case management program called the Welfare Management System (WMS). If the family has a child enrolled in Child Health Plus B, however, that information is entered into an entirely detached case management system called KIDS. Notably, if this family is interested in applying for another public benefit program such as food stamps, they are required to duplicate this entire application and documentation process at a local district.

Somewhere between 10 to 11 months later, in order to retain their coverage, a family must fill out a pre-populated renewal form and mail it back to the local district for review. At renewal, if a child is transferring between Child Health Plus A and B because of a change in eligibility, he or she cannot simply renew their coverage. Since the two child health operating systems are disconnected, the family is required to repeat the entire application process all over again.

This complicated and arduous path to securing health insurance holds many pitfalls and trapdoors threatening to disconnect a family from coverage. Families who experience confusion about eligibility rules and frustration with bureaucratic hurdles are more likely to remain uninsured than to follow through with the application and renewal process.

If implemented, the following 10 priority recommendations would make it easier on families to navigate New York's public health insurance system and would open the door to enrollment for the hundreds of thousands of uninsured children and adults who are already eligible for a public program.

1. *Eliminate Documentation of Income and Residence at Application*
2. *Eliminate the Face-to-Face Interview Requirement*
3. *Eliminate the Adult Asset Test for Medicaid and Family Health Plus*
4. *Expand the Use of Electronic Data Matching for All Programs*
5. *Develop an Electronic Application with Direct Electronic Interface to State Eligibility Systems*
6. *Develop a Separate, Statewide Eligibility Data System for Health Insurance Programs*
7. *Align Income Standards*
8. *Expand the Facilitated Enrollment Program*
9. *Align Public Health Insurance with the Food Stamp Program at Application and Renewal*
10. *Simplify Renewal*

1. Eliminate Documentation of Income and Residence at Application

Eliminating the income and residency documentation requirements at application would make it significantly easier for families to access coverage. Based on the anecdotal experiences of facilitated enrollers, families require the most assistance when trying to prove their income — especially for those who do not receive regular paychecks or for those afraid to ask their employer for proof of their income.[5] Child Health Plus B disposed of the income documentation requirement in 2002, resulting in fewer children losing coverage without an increase in error rates.

In an attempt to address one of the most often cited reasons that families fail to successfully renew, New York recently passed legislation eliminating the documentation and residency requirement at renewal. This policy will be implemented in January 2008 and is anticipated to be a cost-efficient antidote to churning, when families lose coverage at renewal and then re-apply some time later.

Attestation of income at application could occur in New York by allowing the person legally responsible, either a parent or a guardian, to attest to their income while submitting a Social Security Number.[6] The local districts of social services could then administratively match the Social Security Number to the State Wage Reporting System. Applicants who believe the Wage Reporting System holds inaccurate or stale income information, usually three to four months old, should be allowed to submit documentation to verify their income. New York should also expand the third-party databases it uses to verify income to include other public program databases including the Welfare Management System.

Eliminating documentation of residency will also prove to be a significant easement on families. Documenting one's residence is an insurmountable obstacle on families who are living with friends or relatives and do not have their name on the lease or a gas or phone bill.[7] Allowing for self-attestation of an individuals' residency coupled with the receipt of mail from the local districts of social services or health plan should be sufficient to serve as verification of residence.

Nationwide, nine states allow for self-attestation of income in their children's health insurance programs.[8] New York is one of only seven states to require documentation of home address for families seeking children's coverage.[9] There is no federal requirement for states to request documentation of either income or residence. In fact, states are already required to use electronic data systems to verify applicants' income.[10]

States that have allowed self-attestation of income experienced a notable increase in enrollment with considerably low error rates. Michigan witnessed an 8.5 percent increase in enrollment due to self-

[5] Kate Lawler, "Reality Check: A View From the Front Lines of Public Health Insurance Enrollment," The Children's Aid Society, March 2003.
[6] Necessary Changes in Law: Medicaid: 18 NYCRR § 360-2.3 (c)(2), 18 NYCRR § 360-1.2, SSL § 360-2.3; Family Health Plus: SSL § 369-ee(2)(b); Child Health Plus: PHL § 2511(2)(f).
[7] Supra note 5.
[8] Donna Cohen Ross, Laura Cox, and Caryn Marx, "Resuming the Path to Health Coverage for Children and Parents: A 50 State Update on Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and SCHIP in 2006," Center on Budget and Policy Priorities and Kaiser Commission on Medicaid and the Uninsured, January 2007.
[9] Donna Cohen Ross and Laura Cox, "In a Time of Growing Need: State Choices Influence Health Coverage Access for Children and Families," Center on Budget and Policy Priorities and Kaiser Commission on Medicaid and the Uninsured, October 2005.
[10] Danielle Holahan and Elise Hubert, "Lessons from States with Self-Declaration of Income Policies," United Hospital Fund, 2004.

attestation of income, reporting only a 3 percent error rate.[11] As a result of a pilot project to assess the accuracy and efficacy of self-attestation of income in Cleveland, Ohio, 24,000 children became newly enrolled with a 98 percent accuracy rate.[12] Based on a survey of 12 states that employed self-attestation, the States that reported universally low error rates had verified income before eligibility was determined.[13]

Eliminating documentation of income will also increase staff efficiency and alleviate the burden placed on local districts with processing income documentation. After self-attestation of income, Michigan's staff efficiency was increased by 25 percent[14] while Cleveland, Ohio's applications were processed 50 percent faster. [15] Eleven out of the 12 states surveyed on their self-attestation policies reported faster eligibility determinations and increased productivity.[16]

Because of the new policy eliminating document requirements at renewal, New York is primed to extend this policy to application. It would not only increase enrollment without compromising program integrity it would achieve administrative savings by increasing local district work production.

2. Eliminate the Face-to-Face Interview at Application

A family applying for Child Health Plus A, Medicaid or Family Health Plus must meet a face-to-face personal interview requirement at the time of the application, even though it is not federally required.[17] The requirement is satisfied after meeting with a facilitated enroller or an eligibility worker at a local district of social services. Facilitated Enrollers have shouldered some of the burden of this requirement (50 percent of the applications now come through facilitated enrollers), by making it easier for families to fulfill this mandate because they are in the communities where the uninsured live and work. Nevertheless, it is still another hurdle for families to overcome in order to connect to the coverage for which they are eligible.

Further, individuals who work long hours and whose employers do not provide vacation or personal time to miss work and meet this requirement are faced with the difficult decision of applying for coverage or jeopardizing their jobs. Unless someone is immediately sick in their family, they may forego the coverage because they cannot make the personal interview.

The face-to-face interview is also particularly burdensome on families living in New York's rural areas. Despite facilitated enrollers' best attempts to make home visits and outstation their enrollers in rural community areas such as libraries and grocery stores, these families are still very isolated. Compounding their long work hours with the fact that many rural families do not have access to a car or reliable public transportation further disconnects these families and makes a personal face-to-face interview nearly impossible.[18]

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[11] U.S. General Accounting Office, "Medicaid and SCHIP: States' Enrollment and Payment Policies Can Affect Children's Access to Care," (GAO-01-883), September 2001.
[12] Catherine Penn and R. Staib, "Income Self-Declaration Boosts Enrollment for Healthy Start/Healthy Families," Ohio Department of Job and Family Services, Cuyahoga Health and Nutrition, Project Number 11P-91269/5-01, January 2002.
[13] Supra note 10.
[14] Supra note 11.
[15] Supra note 12.
[16] Supra note 10.
[17] Medicaid: SSL § 366-a (1), (2); Family Health Plus: SSL §369-ee(5)(a).
[18] Kate Lawler and Anne Marie Costello, "Community-based Facilitated Enrollment: Meeting Uninsured New Yorkers Where They Are," Children's Aid Society and Children's Defense Fund-New York, February 2005.

Nationally, New York is in the minority as one of only five states that require a face-to-face interview for families applying for children's Medicaid coverage and one of only 12 states that require it for adults seeking Medicaid or Family Health Plus.[19]

New York has already eliminated the face-to-face interview at renewal and should do so at application. In lieu of the personal face-to-face interview, New York should allow families to mail or fax in their application. They could also create a telephone portal where families can dial a toll free number and speak personally with operators who speak multiple languages and can guide them through the application questions, without having to fill out any forms. Families that require in-person application assistance can still meet with a facilitated enroller, health advocate or eligibility worker at a local district of social services. This menu of options would fit the varied needs of New Yorkers and further open the door to enrollment.

Unfortunately, even if New York eliminated both of the face-to-face interview and documentation requirements at application, there is one more outstanding bureaucratic obstacle to enrollment. The federal Deficit Reduction Act of 2006 requires individuals to provide *original* documentation to prove their citizenship and identity. This original document requirement means that an individual must show, in person, their original passport or birth certificate and driver's license, rather than submit a copy. This directly contradicts the underlying intent of eliminating the face-to-face interview, because it would still require an individual to travel to an office, whether it is at a facilitated enroller or the local districts of social services.

Expanding New York's ability to data match with other third party systems such as Vital Records for verifying citizenship and the Department of Motor Vehicles for identity is the best way to circumvent these conflicting rules and is discussed in greater detail in Recommendation 4, Expanding Data Matching Systems. In the immediate short-term, until Vital Records and Department of Motor Vehicles matching is established statewide, or until the federal law is repealed New York can still eliminate the face-to-face interview and meet the original documentation requirement by continuing to allow facilitated enrollers and local districts to attest that they have viewed the original citizenship and identity documents.

3. Eliminate the Adult Asset Test for Medicaid and Family Health Plus

Adults applying for Medicaid or Family Health Plus must show that their savings do not exceed established resource levels in order to be found eligible.[20] For Medicaid the asset test is $6,600 for a family of three and for Family Health Plus it is $19,800 for a family of three. New York should eliminate the adult asset test for Medicaid and Family Health Plus (except for long-term care services) as it has for its child programs because the existing requirement serves as a major barrier to enrollment for a host of reasons.

Firstly, the asset test punishes families for trying to plan for their future and attain economic sustainability by building their savings. In particular, retirement funds such as IRAs, 401(k)s and Keogh accounts that are not readily accessible to families until retirement are counted as resources when determining assets. Additionally, owning an automobile with a value more than $4,600 counts as part of an individual's assets for some categories of applicants and can result in ineligibility. This penalizes individuals who live outside of urban areas and do not have access to public transportation

[19] Supra note 9.
[20] Medicaid: SSL § 366-a(2)(b); Family Health Plus: SSL § 369-ee(2)(c).

and, therefore, must rely on their cars to get to work. Secondly, the asset test deters eligible applicants trying to navigate the application and renewal forms that ask complicated and difficult-to-understand questions about their savings. Finally, the asset test is not only administratively burdensome for local district staff, but states that have eliminated the asset test report greater increased enrollment, administrative efficiencies, and no significant increase in their error rates.

Twenty-one states have eliminated the asset test for adults in Medicaid.[21] Other states have redefined assets to exclude retirement savings, automobiles and other assets which are critical supports for low-income working families struggling to transition out of poverty but currently still counted by New York State.

In a survey of nine states that eliminated the asset test, officials reported an increase in enrollment as a result of eliminating the asset test along with other policy simplification changes.[22] In a study of Current Population Survey Data, the elimination of the asset test resulted in a 6.1 percent increase in combined Medicaid and SCHIP (State Children's Health Insurance Program) enrollment.[23] Based on a survey of New York-specific data from the Survey of Income and Program Participation, it is estimated that if New York eliminated the asset test, enrollment would increase in New York by 94,000 adults.[24] Because this data reflects only those who would be newly eligible and does not take into account the number of individuals who were previously eligible, the actual number would be higher.

Eliminating the asset test also increases staff efficiency and cost savings because verifying assets is extremely resource-intensive. Across the board, states that have eliminated the asset test report achieving administrative simplicity and a more manageable workload for eligibility workers.[25] In Oklahoma, after eliminating the asset test, the state was able to reduce its administrative costs related to verification of assets by two-thirds.[26] Finally, state officials reported that prior to the elimination of the asset test very few denials were the result of excess assets and after the elimination of the test no state experienced an increase in their error rates.[27]

4. Expand Electronic Data Matching

Expanding the number of electronic sources New York uses to verify eligibility is the most effective way to eliminate documentation requirements in New York while still maintaining program integrity. In order to successfully achieve an efficient enrollment pathway by eliminating the number of documents an applicant has to submit and the number of documents a local district has to copy, scan and process, New York must expand the number of third party databases that it uses to verify eligibility. There are multiple existing databases that hold a monumental amount of personal information that can be tapped into when assessing eligibility. [28] Reaching into other databases can occur after securing an individual's consent and methods remain within privacy law parameters.

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[21] Supra note 8.
[22] Vernon Smith, Eileen Ellis, and Christina Chang, "Eliminating the Medicaid Asset Test for Families: A Review of State Experiences," Health Management Associates and The Kaiser Commission on Medicaid and the Uninsured, April 2001.
[23] Karl Kronebusch and Brian Elbel, "Enrolling Children in Public Insurance: SCHIP, Medicaid and State Implementation," Journal of Health Politics, Policy and Law, Vol. 29, No. 3, June 2004.
[24] Lewin Group Estimates for United Hospital Fund-Commonwealth Fund, "Estimates of the Cost and Coverage Impacts of Proposals to Expand Health Insurance Coverage in New York," Lewin Group, November 2006.
[25] Supra note 22.
[26] Supra note 22.
[27] Supra note 22.
[28] This would require a new law in combination with other administrative changes.

More than a dozen state Medicaid programs currently rely on electronic data exchange rather than paper documents provided by the family as the primary source for verifying information. States that have done so have reported significant time and cost efficiencies for both the State program and the enrollees. For example, Utah's eFind system, which links 18 databases and is used by caseworkers to determine eligibility, reduced the amount of time caseworkers spend verifying documents by more than 80 percent, vastly increasing staff efficiency and yielding significant cost savings.[29]

To circumnavigate the previously discussed original documentation requirements for proving citizenship and identity, New York could link to two major databases — Vital Records and the Department of Motor Vehicles. The vast majority of New York adults and children who are U.S. citizens could have their citizenship verified through matches with Vital Records. Currently, 95 percent of New York State citizen children and 82 percent of New York State citizen adults were born in New York State, which would allow their citizenship to be determined by New York State Vital Record matching.[30] While some New York State counties have implemented or plan to implement electronic vital records matching, not all counties use this process, nor is there a statewide matching system.[31]

When it comes to proving identity, adults can attest to their child's identity if they are unable to provide an original identity document such as a School Identification card or a driver's license. However, adults are still required to prove their identity with an original picture ID, such as a driver's license. Verifying identity with the Department of Motor Vehicles database is a straightforward and common sense way of avoiding the need for an adult to meet a personal interview requirement and show their original license. While this will not help the vast majority of those applying in New York City, it will assist those beneficiaries who live outside of New York City and who likely have a driver's license.

Another accessible database to verify eligibility is the Welfare Management System which already holds a vast amount of eligibility information because it is the budgeting and case management system for other public benefit programs that require much of the same income, identity, citizenship, immigration, resource and family information. Reaching into the existing system to cross-reference information provided by families when applying for other similar means-tested programs such as public assistance, food stamps and home energy assistance would create significant easements on local districts while also simplifying an applicant's experience by not having to go through a duplicative eligibility verification process. While some counties already do this it needs to become a regular automated statewide practice.

Developing the capacity to match all eligibility information against other existing databases is the key component to eliminating documentation requirements and will ultimately make the enrollment and renewal pathway as seamless as possible for beneficiaries and the local districts of social services charged with eligibility determinations and processing.

[29] Leighton Ku, Donna Cohen Ross Cohen Ross and Mathew Broaddus, "Documenting Citizenship and Identity Using Data Matches: A Promising Strategy for State Medicaid Programs," Center for Budget and Policy Priorities, September 2006.
[30] Id.
[31] Patricia Boozang, Melinda Dutton, and Julie Hudman, "Citizenship Documentation Requirements in the Deficit Reduction Act of 2005: Lessons From New York," Kaiser Commission on Medicaid and the Uninsured, June 2006.

5. Develop an Electronic Application with Direct Electronic Interface to State Eligibility Systems

The backbone of true simplification in New York's public health insurance programs is an investment in enhanced information technology including an electronic application that would directly interface with state eligibility systems. The current application and eligibility pathway is conducted primarily through paper. Applicants fill out a paper application and submit supportive paper documents. Facilitated enrollers enter information into their own database, bundle the paper applications and deliver them to the local districts where the same data is entered into another database. Documents are then photocopied and scanned and application packages processed.

It is estimated that in New York City alone, the Human Resources Administration processes 40,000 new pages of material each day, with a daily total of 100,000 pieces of paper in transit between facilitated enrollers and the district offices.[32] The only way to eliminate this paper driven process that is administratively taxing and prone to data entry errors is to implement an electronic enrollment system that passes digitized eligibility information from the point of application to the local districts for eligibility determination. This information technology system is the key to long-term efficiency, reduced administrative costs associated with processing paper applications and a simpler more accessible enrollment process for the family.

Nationally, at least eight states operate some form of statewide online enrollment for Medicaid and the SCHIP, and at least eight additional states operate pilot projects within limited areas of the state.[33] A study of California's Health-E-App, an electronic web-based pilot project that allowed electronic transmission of the application, signature and supportive documents showed a decrease in the time spent by applicants and community-based application aides, faster application processing, a reduction in the number of errors and overall satisfaction reported by those using the system.[34]

Through the development of eligibility calculators that can print computerized applications to designing platforms that electronically transmit to local districts, New York has made concrete steps toward creating an electronic application pathway. For example, New York's Electronic Growing Up Healthy/Access New York application project enables five facilitated enrollment sites to submit applications electronically to their own quality assistance staff for review. However, these applications must then be printed out on paper before they are sent to the local districts. The project does, however, show promising efficiency results as it has decreased processing time by 2.5 days. New York City's Human Resources' pilot project with Prenatal Care Assistance Program providers called Eligibility Data and Image Transfer System allows the providers to electronically transmit information with imaged documents directly to the district. While these projects have proven significant, they are still only incremental advancements. A universal overhaul of the existing information technology system is necessary to make statewide change.

[32] Michael Birnbaum and Kathryn Haslanger, "Bringing Information Technology Innovation to New York's Public Health Insurance Programs," United Hospital Fund,
[33] Kristen Wysen, "Public Access to Online Enrollment for Medicaid and SCHIP," National Academy for State Health Policy, May 2003.
[34] Bob Atlas, Lisa Chimento, Pooja Shukla, "Business Case Analysis of Health-E-App: a Web Based Enrollment Application for Public Health Insurance Programs," The Lewin Group, June 2001.

6. Develop a Separate, Statewide Eligibility Data System for Health Insurance Programs

New York's existing public health insurance case management and eligibility systems are fragmented and antiquated and require a technological overhaul. Child Health Plus A, Medicaid and Family Health Plus are operated through the Welfare Management System. Child Health Plus B is operated through the KIDS system which does not run in coordination with the WMS. These disjointed systems hinder administrative efficiency and compromise coverage for families trying to maintain their health insurance coverage. Creating a new, single data system supporting all public health insurance programs will facilitate a seamless transfer of information and, more importantly, allow beneficiaries to transition between programs without losing their health insurance.

Currently, if a child is enrolled in either Child Health Plus A or B and their eligibility changes (as a result of a birthday or change in family circumstances) at the time of their renewal they are required to apply all over again rather than seamlessly renewing their coverage into a different program. This places a tremendous burden on families who must go through a new application process by hand delivering their bundle of documents to a facilitated enroller or a local district. This re-application process can result in serious gaps or total loss in coverage while families wait for the new application to be processed. It is also administratively burdensome for the local districts that have to process a whole new application, rather than rely on the simpler mail-in renewal process.

New York should create a separate, statewide eligibility data system for all the programs that would allow for seamless "behind the scenes" transfers of eligibility from one public health insurance program to another. This unified data system should be linked to an electronic platform that receives electronic application data so information can be transferred automatically, thereby eliminating unnecessary paper and time consuming data entry.

7. Align Income Standards

Currently, New York operates very different income standard eligibility tests across its public health insurance programs. Child Health Plus A and Medicaid are net income tests, which allow families to deduct expenses from their gross income such as child care and a $90 earned income disregard, which entails subtracting the first $90 of earned income from an individual's total income before determining eligibility. After the family provides documentation to verify these deductions, the eligibility worker subtracts these amounts from the gross income and assesses whether their net income meets the eligibility threshold. Family Health Plus and Child Health Plus B, on the other hand, are gross income tests that determine eligibility by looking at the total earned or unearned income, without having to document additional deductions and without complicated mathematic budgeting.

New York should align these two varying income eligibility tests and make both Medicaid and Child Health Plus A gross income tests.[35] Based on the experiences of facilitated enrollers, the gross income test is simpler for families and easier to process than the net income test. The different income eligibility tests are also confusing and difficult to navigate for families with multiple members enrolled in separate programs that apply different deduction requirements.

The gross income test is also necessary as New York seeks to implement automatic enrollment and ex-parte review, with other similar means-tested programs. For example, the Food Stamp Program allows for different deductions and disregards in calculating net income than Medicaid and Child Health Plus

[35] Necessary Changes in Law: Social Services Law Section 366(2); 18 NYCRR Section 360-4.6.

A. Under federal law, Medicaid and SCHIP would not be able to use simultaneous eligibility determinations with these other programs if these income tests were not aligned.[36] Unless all the public health insurance programs become uniformly gross income tests, coordinating the different disregards among various benefit programs will be a major barrier to cross-alignment.

The way to transform Medicaid and Child Health Plus A from net income tests to gross income tests, while ensuring Medicaid eligibility levels are not increased or reduced, is by translating the gross income level to an adequate rate. Current adjustment rates are approximately 20 percent over the net income amount. For example, if Child Health Plus A's net income test for a 7 year old living in a family of three is $1,423 per month, the translated gross income test would become $1,708. Applicants should also be given the option for a full determination under the existing net income rules. While the vast majority of applicants will not seek the second option, this approach would comply with federal SCHIP requirements that prevent states from lowering Medicaid eligibility standards below those in effect in 1997 and would ensure that the change would "do no harm" to current recipients in need of the more comprehensive benefits available through Medicaid.

Implementing the gross income test across all public benefit programs will increase efficiencies for those charged with calculating family budgets and will make it easier for families to navigate the application process.

8. Expand Facilitated Enrollment

Facilitated Enrollment is the single most effective strategy in finding eligible children and families and enrolling them in public health insurance. Facilitated Enrollers (FEs) are in the communities where the uninsured live and work, at local clinics, schools, community centers and other convenient locations. FEs speak more than 40 languages and provide evening and weekend hours to meet the needs of working families. [37] FEs conduct the legally-mandated face-to-face interview, help families complete their applications and collect the documents necessary to prove program eligibility. They also help families renew and maintain health coverage. Expanding funding for the Facilitated Enrollment Program is key to program simplification and a common sense solution to finding and enrolling the remaining 900,000 New Yorkers who are eligible yet uninsured.

Facilitated Enrollment is New York's most cost-effective form of enrollment[38] and has become a major enrollment portal. Currently, more than half of adult Medicaid and Family Health Plus recipients secure their coverage through an FE. In New York City, 85 percent of Family Health Plus members come through an FE. Since 2000, the simplified entry point of the Facilitated Enrollment Program has resulted in the enrollment of almost 1 million children and adults.

Despite the tremendous contribution community-based Facilitated Enrollers have made in increasing enrollment and retention, their budgets have faced serious cuts while their responsibilities increased over the years. Facilitated Enrollers manage the implementation of complicated protocols and public health policies and navigate increased Quality Assurance requirements. On any given application, in addition to collecting all the required documents and filling out the applications, they have to assess whether the completion of at least a dozen additional forms is necessary, such as a budgeting

[36] Stan Dorn & Genevieve Kenney, "Automatically Enrolling Eligible Children and Families Into Medicaid and SCHIP: Opportunities, Obstacles, and Options for Federal Policymakers," Commonwealth Fund, June 2006.
[37] Supra note 18.
[38] Gerry Fairbrother, Melinda Dutton, Deborah Bachrach, Kerry-Ann Newell, Patricia Boozang and Rachel Cooper, "Costs of Enrolling Children in Medicaid and SCHIP," Health Affairs. 23(1), January/February 2004.

worksheet, a self-employed worksheet and an attestation of original documents, to name a few. In order for FEs to properly handle their ongoing enrollment responsibilities as well as the additional crush of new enrollment that will be associated with any potential child or adult expansion, it is critical to expand the Facilitated Enrollment Program.

9. Align Public Health Insurance with the Food Stamp Program at Application and Renewal

Finding and enrolling uninsured yet eligible New Yorkers through alignment with the Food Stamp Program is a viable option and integral to addressing the complicated, duplicative and overlapping program rules that serve as barriers to accessing public health coverage. Coordinating public health insurance with the Food Stamp Program will enable a great number of eligible New Yorkers to connect to coverage while also reducing the administrative burdens of local districts. This should occur through the implementation of three critical simplification policies: automatic enrollment at application; ex-parte review at renewal; and targeted outreach at both application and renewal. These policies will serve as the platform for exploring ways to locate uninsured low-income families by coordinating with other similar means-tested programs such as subsidized child care, School Meals and the Earned Income Tax Credit.

Because food stamp eligibility and enrollment rules are more stringent than Medicaid, nearly every child and adult enrolled in the Food Stamp Program is also eligible for public health insurance coverage, with the exception of certain immigration populations and individuals with high resources. In New York, it is estimated that 187,000 individuals living in families with children are currently participating in the Food Stamp Program but not public health insurance.[39] New York should implement automatic enrollment, whereby the State uses eligibility information provided by the family when applying for food stamps, to automatically cover children and families in public health insurance. This could occur by data-matching through the Welfare Management System to find individuals participating in food stamps but not health insurance and would require an opt-out provision that could be addressed with a check-off question on the initial food stamp application.

In the immediate short-term, as New York moves toward expanding the technological infrastructure of WMS to allow for automatic-enrollment, New York could still find eligible but uninsured individuals by adding a few simple questions, via checkboxes, to the Food Stamp Application and Renewal Form. These questions would inquire whether anyone in the household has health insurance, if the applicant consents to the State conducting a preliminary assessment to determine if anyone in the household appears to be eligible as well as to being contacted about public health insurance. Through these preliminary screening questions, information collected should be used for a more formalized outreach system that would allow a facilitated enroller or a local district to follow up with the family to provide application and enrollment assistance.

By coordinating public health insurance and Food Stamp Program recertification processes through ex-parte review, New York could help ensure 800,000 individuals maintain their health coverage at renewal.[40] Although public health insurance participants are required to recertify annually, almost 50 percent do not successfully complete the renewal process.[41] When an individual is enrolled in both food stamps and a Medicaid program, there is a great opportunity to use the information gathered at the

[39] Kinda Serafi and Anne Marie Costello, "Coordinating New York's Medicaid and Food Stamp Programs: Making it Easier for Families to Access the Benefits They Need," The Children's Defense Fund-New York, December 2006.
[40] Id.
[41] Patricia Boozang, Laura Braslow and Anthony Fiori, "Enrollment Churning in Medicaid," New York State Coalition of Prepaid Health Services Plans, December 2006.

time of the food stamp renewal to automatically re-determine eligibility for a Medicaid program and extend coverage for 12 months. This administrative simplification, called ex-parte review, would eliminate the need for a family to attempt to renew their coverage. The Centers on Medicare and Medicaid Services requires states to conduct ex-parte reviews for ongoing Medicaid eligibility by using all the information available to them, including food stamp records.[42]

Automatic enrollment, ex-parte review and targeted outreach are critical simplification policies that would not only make it easier for families to connect to coverage, but would provide administrative relief for the local districts and generate administrative cost savings by reducing duplicative renewal processing.

10. Simplify Renewal

Despite the best efforts of facilitated enrollers and local district eligibility workers to help families navigate the enrollment pathway and connect to care, many families still struggle to maintain their coverage at renewal one year later. Unfortunately, an estimated 50 percent of recipients do not successfully renew.[43] Based on an analysis of New York State data, about 61 percent of adults and 76.6 percent of children who dis-enroll at renewal become uninsured even though they appear to be eligible to renew their coverage.[44] Sixty-seven percent of adults and 84.4 percent of children who dis-enroll will re-enroll in public health insurance within 12 months.[45] Enrollment churning, when families involuntarily lose coverage at renewal and then subsequently re-enroll a few months later, is a significant barrier to continuity of coverage at an unnecessary administrative cost to the State and local districts.

New York State recently passed legislation that eliminated documentation requirements at renewal which will have a considerable impact on enrollment retention. Another noteworthy simplification at renewal would be to implement a grace period, which would allow enrollees additional time to complete the recertification requirements rather than simply being dis-enrolled on the basis of flawed recertification materials. For example, if a local district finds that the family has not completed a section of the mail-in renewal application or if the individual has not signed in the proper places, the grace period would provide the flexibility for the family to correct their mistake and to still maintain their coverage.

Biennial renewal is another effective simplification option. This would require a full renewal every two years. In the alternate years, recipients would be provided a pre-populated short-form postcard requesting any information that has changed. If it had, the beneficiary would be required to return the short-form. If nothing has changed, then they would not be required to respond to the form, and the local districts would continue to verify the information administratively. It is estimated, that if biennial renewal was implemented in New York, monthly enrollment would increase in Medicaid and Child Health Plus by 295,700 people, an 8.4 percent increase in program enrollment.[46]

Finally, a telephone portal would further simplify the renewal process. New York should create an option for recipients to call a toll-free number with multi-lingual operators to renew their coverage

[42] Letter from the Centers on Medicare and Medicaid Services to State Medicaid Directors, April 7, 2000.
[43] Supra note 41.
[44] Supra note 24.
[45] Supra note 24.
[46] Supra note 24.

without having to provide a paper renewal form. This telephone portal would also be available year-round, for beneficiaries to provide any necessary change in their contact information.

Collectively, these renewal simplifications would help ensure continuity of care and eliminate the unnecessary administrative costs associated with re-enrolling a family that is already eligible.

Legal and Administrative Changes for Simplification Proposals

SIMPLIFICATION PROPOSAL	STATUORY/REGULATOR CHANGES NEEDED TO IMPLEMENT
1. Eliminate Documentation of Income and Residence at Application	Medicaid: 18 NYCRR § 360-2.3 (c)(2) Family Health Plus: SSL § 369-ee(2)(b) Child Health Plus: PHL § 2511(2)(f)
2. Eliminate the Face-to-Face Interview Requirement	Medicaid: SSL § 366-a(1),(2) Family Health Plus: SSL § 369-ee(5)(a)
3. Eliminate the Adult Asset Test for Medicaid and Family Health Plus	Medicaid: SSL § 366-a(2)(b) Family Health Plus: SSL § 369-ee(2)(c)
4. Expand the Use of Electronic Data Matching for All Programs	Administrative
5. Develop an Electronic Application with Direct Electronic Interface to State Eligibility Systems	Administrative
6. Develop a Separate, Statewide Eligibility Data System for Health Insurance Programs	Administrative
7. Align Income Standards	18 NYCRR § 360-4.6, SSL § 366(2).
8. Expand the Facilitated Enrollment Program	Budgetary
9. Align Public Health Insurance with the Food Stamp Program at Application and Renewal	Administrative
10. Simplify Renewal	Administrative

Conclusion

With nearly one million uninsured New Yorkers already eligible for Child Health Plus, Medicaid or Family Health Plus but not enrolled, it is clear that the State must double its efforts at making it easier for families to connect to coverage by simplifying the application and renewal pathways. In order to achieve true programmatic reform, the 10 priority simplification proposals should be implemented as complementary and interconnected, rather than in isolation of one another.

Eliminating the face-to-face interview requirement will not simplify the application pathway unless data matching is enhanced to circumvent the original documentation requirement. Documentation requirements at application can not be eliminated unless third party verification data systems are established to ensure program integrity. Coordinating public health insurance programs with the Food Stamp Programs will not occur unless New York reaches into existing databases to compare program participation. In order to truly simplify renewal, there must be a separate statewide eligibility data system that guarantees a seamless transfer of beneficiaries across programs. To create a rational and navigable public health insurance system, eligibility rules must be streamlined by aligning income standards and eliminating the asset test. For New York to implement most of these priority

simplifications it must invest in real technological reform including the development of an electronic application with direct electronic interface with eligibility systems. Finally, none of the simplifications will make a difference, if the Facilitated Enrollment Program is not expanded to increase the number of enrollers reaching into communities and letting families know that they are eligible for coverage.

Together, these proposals can strip down the barriers to coverage and dramatically increase enrollment. Creating a rational and accessible public health insurance system is not only cost-effective but a common sense solution to connecting uninsured families to coverage.