



CHIPRA PERFORMANCE BONUS AWARD: An opportunity to strengthen Ohio's Medicaid enrollment and renewal processes through strategic investments

Ohio is one of fifteen states that earned a 2010 performance bonus payment in recognition of successful efforts to cover uninsured children. These performance bonuses, established by the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA), reward states that have cut red tape to cover more uninsured children through Medicaid/CHIP. Ohio earned \$12.4 million through efficiency improvements and success at enrolling eligible children.

Prior to 2010, Ohio had implemented three of five recommended efficiency strategies. As a result of hard work and leadership by state officials and by county departments of job and family services, Ohio implemented two additional strategies – presumptive eligibility for children (using local job and family service agencies), and covering eligible children for 12 consecutive months– on April 1, 2010. With this action, Ohio met the simplification requirement and Ohio's growing Medicaid/CHIP enrollment meant the state also met the enrollment targets requirement¹.

This award provides an opportunity to build on Ohio's progress in covering uninsured kids and make sure that low-income children can access and keep health coverage. To that end, we recommend targeted, strategic investments based on two guiding principles:

- 1) **Invest in making Medicaid even more efficient.** Dollars should go support the simplification measures already in place and give county JFS agencies tools to further streamline eligibility and renewal processes. This is especially important now when local JFS resources are shrinking at the same time that more families are seeking services. This approach will also reduce the number of eligible children who lose Medicaid/CHIP coverage at renewal, ensuring that they can get the care they need to stay healthy and growing.² These strategic investments also will help position Ohio to continue to earn additional CHIPRA performance bonus dollars over the next several years that the federal performance bonus is available.

¹ In addition to these simplification measures, Ohio has adopted a series of measures since 2009, including telephone renewals, 12-month renewal for parents, verify citizenship through SSA match and the development of an online application for public benefits. Together, these measures make benefits more accessible for eligible children and families, provide administrative relief for county JFS agencies and are starting to improve the child retention rate.

² Research confirms that children with health insurance are more likely to get preventive care, to have a source of ongoing care, to participate in physical activities and to be healthier overall than uninsured children.

- 2) **Since these are one-time funds, their use should be targeted to strategic, one-time expenditures.**

In consultation with the Ohio Job and Family Service Directors Association (OJFSDA), Voices recommends at least some of the performance bonus dollars be invested in the following priorities:

- 1) **Strengthen presumptive eligibility for children by reprogramming the eligibility system (CRISE) to improve efficiency.** In order to meet the deadline of April 1, ODJFS implemented a temporary shortcut within the eligibility system, with the intent to follow up with a permanent solution. The need still exists. Counties continue to struggle with two primary problems: a) the requirement that an application must be run for each child in the family, requiring multiple entry of the same information, and, b) the requirement for staff overrides because the outdated eligibility system no longer matches Medicaid policy. Ohio has a workable model that was developed for use with expedited Food Stamps.
- 2) **Fully implement presumptive eligibility for children and for pregnant women by allowing community partners, such as federally qualified health centers and hospitals, to make presumptive eligibility determinations.** This will require the state to develop mechanisms or processes that will provide these community partners the ability to a) determine if a child or pregnant woman already has an application pending in the eligibility system, and, b) generate a billing number so children and pregnant women can immediately receive services once approved. Ohio can look to other states' successful presumptive eligibility programs for best practices.
- 3) **Use technology to cut paperwork.** An electronic verification system (such as Utah's eFind or Virginia's SPIDeR) would enable county eligibility workers to access multiple databases and verify eligibility in real time. Established in 2004 to help reduce the state's food stamp error rate, Utah's "eFind" system has significantly improved the state's efficiency. Because the system makes 18 sources of information – Social Security, alien registration, motor vehicles, food stamps, TANF, vital statistics, and others – accessible through one system, the time needed for a data search has dropped from 17 minutes to three. Utah's initial investment for eFind was just over \$2 million, and they report having saved \$2.1 million in administrative costs in the first year of implementation. This investment will support the eligibility process across public programs managed by JFS agencies.

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SUMMARY

Below is a summary of the simplification policies implemented April 1, 2010, including implementation overview and recommended next steps:

12-month continuous eligibility. This is a straightforward change that means once a child's initial eligibility is established, s/he will maintain Medicaid coverage for a full twelve months regardless of changes in income or family situation, unless one of the following occurs: the child or parent/guardian requests termination; the child turns age 19; the child dies; or the child moves out of Ohio. This change is expected to reduce **churning** – when eligible children lose coverage, reapply, gain coverage again, and then repeat the process – among the child population.

Presumptive eligibility for children: Presumptive eligibility allows children to receive the care they need while their eligibility for coverage is being determined. “Qualified entities” such as Medicaid providers, WIC programs and Head Start programs, make a preliminary or presumptive determination that a child or pregnant woman is eligible for Medicaid. After presumptive determination of eligibility, the family has until the end of the following month to submit a full Medicaid application. While the child or pregnant woman awaits final eligibility determination, (s)he can receive all health services covered under Medicaid.

Under the rules that authorize this policy, the only agency that can determine presumptive eligibility is the county department of job and family services (CDJFS), including any out-stationed eligibility workers they may place in the community. This means that all children who apply for Medicaid should be screened for presumptive eligibility, along with their full eligibility determination. Currently, statewide about 5,000 children per month are determined presumptively eligible.

CDJFS' were chosen as the sole qualified entity because they are the only agency that has access to the eligibility system (CRISE) and are thereby able to 1) determine if a child may already have an application pending, and 2) issue a temporary card/document authorizing payment for services.

The full value of presumptive eligibility will only be realized when Ohio adds other qualified entities. As it stands now, only children who would typically initiate an application at the CDJFS will benefit from presumptive eligibility, leaving out children who do not know about Medicaid/CHIP, or who go directly to a provider because of an urgent health need.

Ohio needs to start adding qualified entities that can make the presumptive determination of eligibility. This should start with providers who already typically screen for Medicaid/CHIP eligibility, such as health clinics and hospitals. The program can grow from there as needed.

Presumptive eligibility for pregnant women. Ohio should move forward on planning and implementing presumptive eligibility for pregnant women. Qualified entities in the community, such as hospitals, health clinics, and obstetricians' offices should be early implementers.