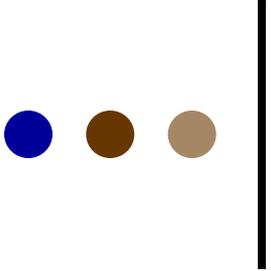


Eligibility and Enrollment

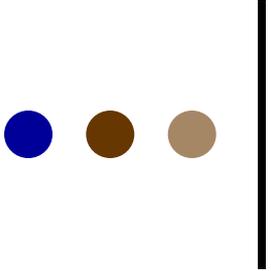
Medicaid Workgroup

Pam Silberman, JD, DrPH
President & CEO
North Carolina Institute of Medicine
April 13, 2011



Agenda

- Medicaid expansion
- Private coverage through HBE
- Challenges facing the state

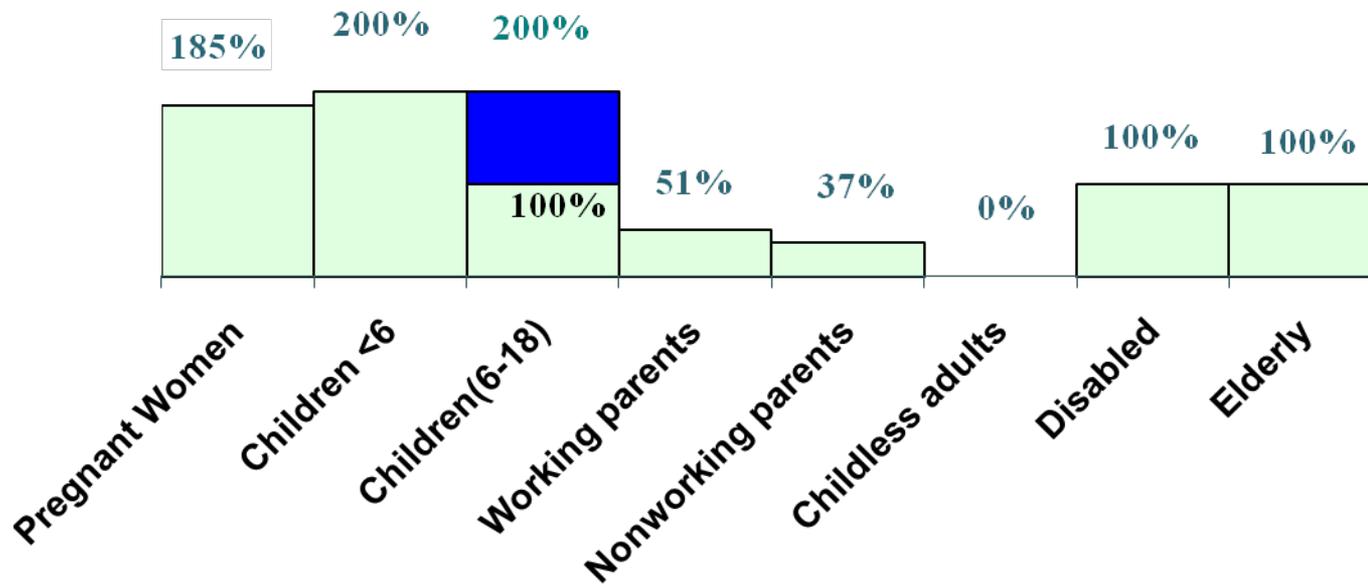


Agenda

- **Medicaid expansion**
- Private coverage through HBE
- Challenges facing the state

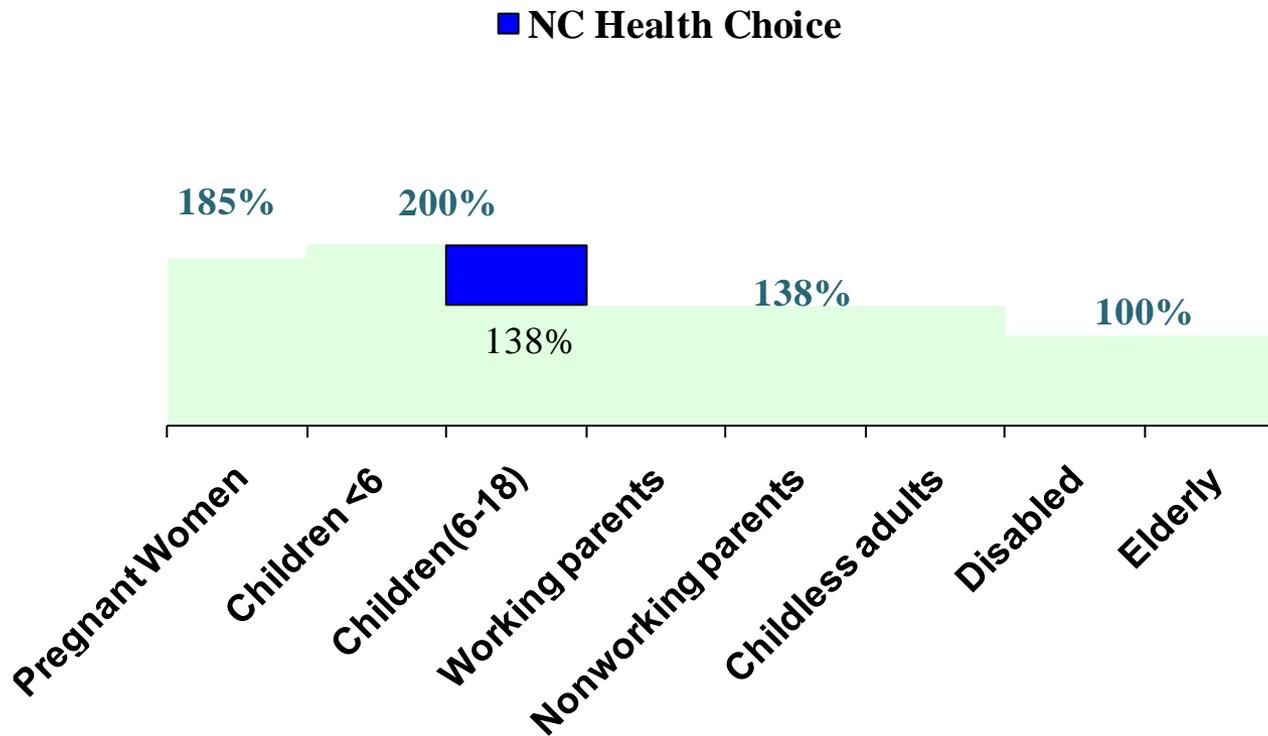
Existing NC Medicaid Income Eligibility (2010)

■ NC Health Choice ■ Medicaid



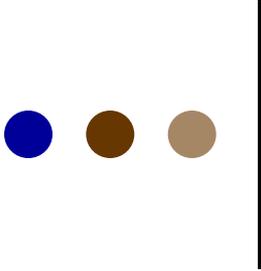
Currently, childless, non-disabled, non-elderly adults can not qualify for Medicaid

Existing NC Medicaid Income Eligibility (2014)



Beginning in 2014, adults can qualify for Medicaid if their income is no greater than 138% FPL, or \$30,429 for a family of four (2010)

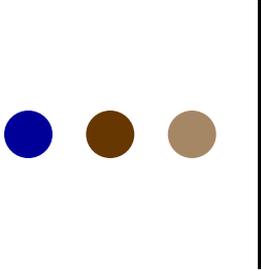
Source: Affordable Care Act (Sec. 2001, 2002). The ACA expands Medicaid for adults up to 133% FPL, but also includes a 5% income disregard. Effectively, this raised the income limits to 138% FPL.



Medicaid Expansion

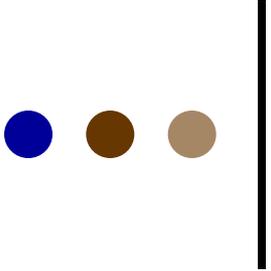
- Expands Medicaid to cover all low-income adults under age 65 (including childless adults) with incomes up to 138% FPL, based on modified adjusted gross income (begins FY 2014) (Sec. 2001, 2002)*

Family Size	138% FPL/yr. (Based on 2010 FPL)
1	\$14,945
2	\$20,107
3	\$25,268
4	\$30,429



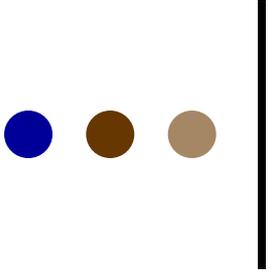
Medicaid Eligibility Rules

- Requires states to maintain current enrollment and eligibility standards until the state Exchange is established (Sec. 2001)
- No asset tests or use of income disregards to determine eligibility for children and most adults (Sec. 2002)
 - Asset rules still used for long-term care, home and community based services, medically needy program
- Undocumented immigrants not eligible for Medicaid
 - Most lawfully present immigrants are not eligible for Medicaid coverage for the first five years (except state option for pregnant women and children)



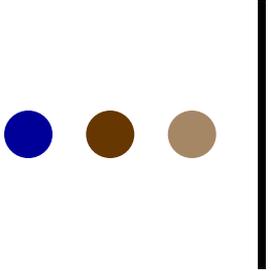
Enrollment Simplification

- States will be required to simplify enrollment and coordinate between Medicaid, CHIP, and the new Health Insurance Exchange (Sec. 2201; 1413)
 - Secretary will develop a single streamlined enrollment form that will be used to apply for all applicable state health subsidy programs (Medicaid, CHIP, subsidy)
 - Form may be filed online, in person, by mail, or by telephone
 - Person may file form with HBE or with Medicaid office



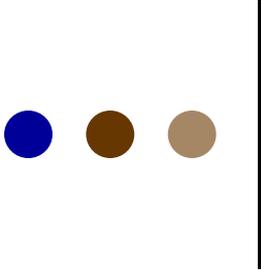
Enrollment Simplification

- Electronic data matching (Sec. 1137, 453, 1942 of SSA)
 - Income eligibility: data matches with state unemployment compensation agency and wage information reported to SSA and IRS
 - Lawful immigration status with Immigrations Customs Enforcement (ICE)



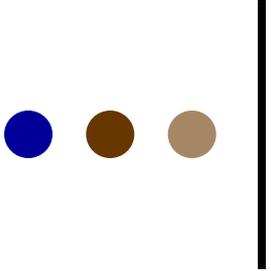
Outreach

- States must conduct outreach to vulnerable populations (Sec. 2201)
 - Vulnerable populations include: children, unaccompanied homeless youth, children and youth with special health care needs, pregnant women, racial and ethnic minorities, rural populations, victims of abuse or trauma, individuals with mental health or substance-related disorders, and individuals with HIV/AIDS.
- Hospitals can determine presumptive eligibility for all Medicaid populations (Sec. 2202)



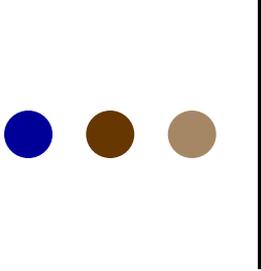
Enhanced Federal Match for Medicaid Expansion

- Federal government will pay 100% of costs of *new eligibles* in first three fiscal years (2014-2016) (Sec. 2001(3), amended Sec. 1201 Reconciliation)
 - After first three years, federal government will pay 95% (2017), 94% (2018) , 93% (2019) and 90% (2020 and thereafter)
 - ***However, states will have to cover costs of people who are currently eligible but who had not enrolled in the past***
- Requires states to submit annual report on the number of individuals enrolled and newly enrolled in Medicaid (Effective: January 2015; Sec. 2001)



Agenda

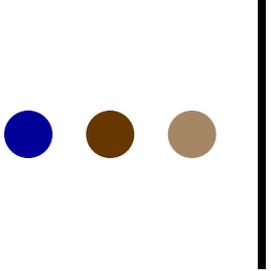
- Medicaid expansion
- **Private coverage through HBE**
- Challenges facing the state



Subsidies to Individuals in Health Benefit Exchange

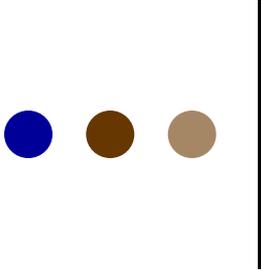
- Refundable, advanceable premium credits will be available to individuals with incomes up to 400% FPL on a sliding scale basis (\$43,320/yr. for one person, \$58,280 for two, \$73,240 for three, \$88,200 for a family of four in 2010).* (Sec. 1401, as amended by Sec. 1001 of Reconciliation)
 - Individuals are generally not eligible for subsidies if they have employer-based coverage, TRICARE, VA, Medicaid, or Medicare (Sec. 1401(c)(2)(B)(C), 1501)
 - In comparison: North Carolina's median household income in 2008 was \$46,574 (avg. household = 2.5 people).

*2010 Federal Poverty Levels are: \$10,830 for an individual, \$14,570 for a family of two, \$18,310 for a family of three, or \$22,050 for a family of four. US Census Bureau. North Carolina. Quick Facts. <http://quickfacts.census.gov/qfd/states/37000.html>



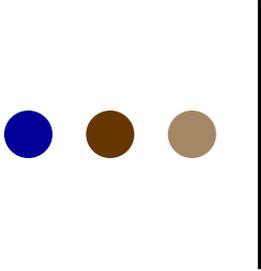
Health Benefits Exchange

- States will create a Health Benefits Exchange for individuals and small businesses. (Sec. 1311, 1321)
 - Limited to citizens and lawful residents who do not have access to employer-sponsored or governmental-supported health insurance and to small businesses with 100 or fewer employees. (Sec. 1312(f))
- Exchanges will:
 - Provide standardized information (including quality and costs) to help consumers choose between plans
 - Determine eligibility for the subsidy
 - Facilitate enrollment for HBE, Medicaid and NC Health Choice through use of patient navigators



Patient Navigators

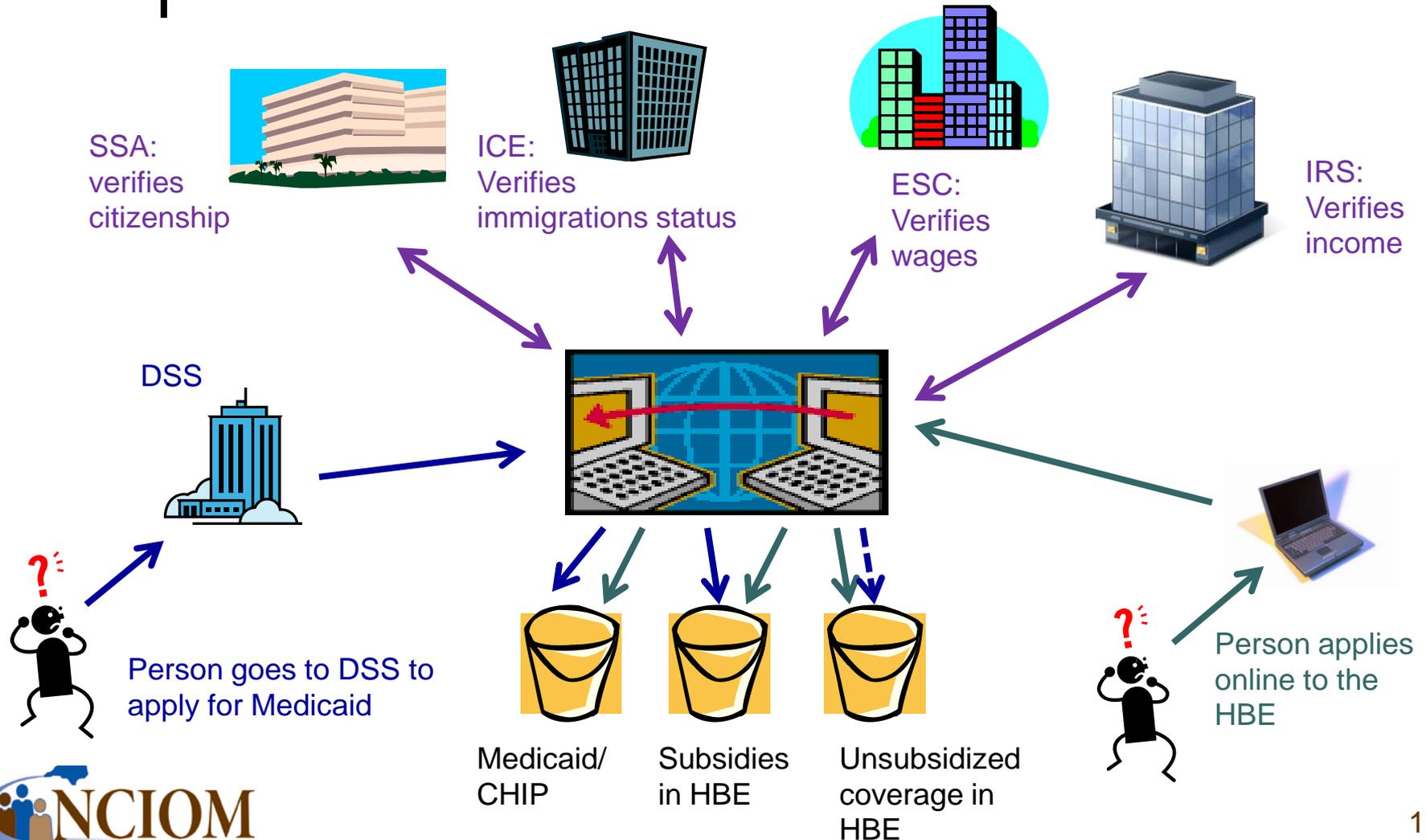
- HBE must establish a program to award grants to patient navigators (Sec. 1311(i))
- To be eligible as patient navigator
 - Entity must demonstrate it has, or could readily establish, relationship with employers, employees, consumers (including un- and under-insured individuals), or self-employed individuals
 - Can include community nonprofits, chambers of commerce, unions, other licensed insurance agents and brokers
 - Must be able to conduct public education activities, distribute fair and impartial information around qualified health plans and availability of subsidies, facilitate enrollment, provider referrals to consumer assistance program, provide information in manner that is culturally and linguistically appropriate to the population

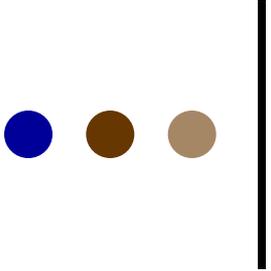


Patient Navigators

- The Secretary will establish standards for patient navigators, including provisions to ensure navigator qualification (and licensure, if appropriate).
- Must avoid conflict of interest. Navigators shall not be an insurer or receive funding from health insurer issuer to enroll individuals or businesses into qualified health plan.
- Funding for navigator grants shall be made from operational funds of the HBE.

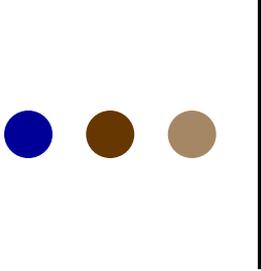
Coordinated Application and Enrollment





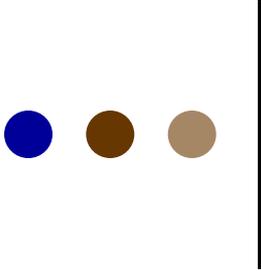
Agenda

- Medicaid expansion
- Private coverage through HBE
- **Challenges facing the state**
 - **Differences in eligibility rules**
 - **Movement between public and private coverage**
 - **Differences in benefit package**
 - **Different provider networks and quality reporting standards**



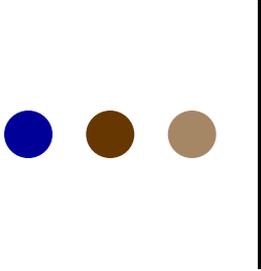
Differences in Eligibility Rules

- ACA requires states to identify people who were eligible but not enrolled separately from newly eligible
 - Different FMAP rates apply.
 - Need federal guidance on how to make this determination (i.e., sampling, income threshold).



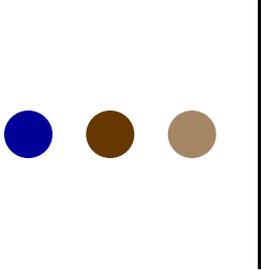
Differences in Eligibility Rules

- States will need to change certain existing eligibility rules in 2014 for new eligibles such as removal of asset tests.
- Different eligibility rules between traditional Medicaid and private coverage through HBE.
 - Examples: Medical support orders, sources of countable income (i.e., child support), definition of family.
 - Need federal guidance to understand what rules will apply in calculation of MAGI for new Medicaid eligibles.



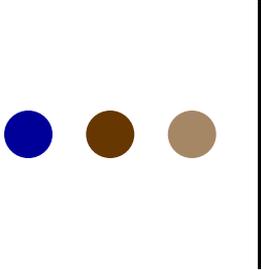
Movement Between Medicaid and HBE

- The ACA does not establish periods of continuous eligibility for adults, so adults are required to report income changes.
 - Important to make real-time reporting of changes of income easy.
 - Individuals can be penalized by receiving more of a subsidy through the HBE than they are entitled. Individuals may be required to repay advance premium tax credits of:
 - \$600 for individuals and families with incomes below 200% FPL.
 - \$2,500 for individuals and families with incomes between 350-400% FPL.



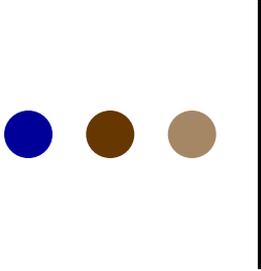
Movement between Medicaid and HBE

- Study of individuals with incomes below 200% FPL (who do not have employer-based coverage) showed:
 - 35% of adults would have experienced change in eligibility within 6 months and 50% would have experienced a change within one year.
 - 24% would have experienced at least two eligibility changes within a year and 39% would have experienced at least two changes within 2 years.
 - 43% of adults in the sample had children under age 19 who might experience similar changes.



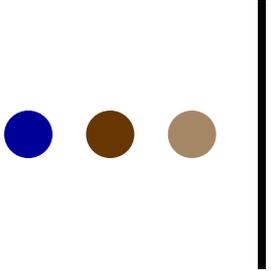
State Options to Improve Enrollment Process

- National Academy of State Health Policy identified options for states to consider:
 - Improve consumer experience
 - Provide consumers real-time electronic engagement with enrollment process including checking eligibility status, reviewing benefits and cost-sharing, and updating personal information online.
 - States can work with community based organizations to help in enrollment process including “pay-for-performance” that provides funding to groups that successfully enroll applicants.
 - Implement 12-month continuous eligibility for adults.
 - Ensure program accessibility for Limited English Proficient people



State Options to Improve Enrollment Process

- Eligibility and enrollment process:
 - Simplify processes (streamline renewals, adopt Express Lane eligibility, early adoption of real-time online enrollment)
 - Simplify eligibility policies including adopting IRS definitions of countable income and household composition (to resolve conflicts between Medicaid and IRS rules)
 - Focus on culture change for eligibility workers



Eligibility Questions

- What steps should North Carolina take, if any, to simplify the eligibility process and facilitate enrollment and retention?
 - What, if any, new processes should state adopt prior to 2014?

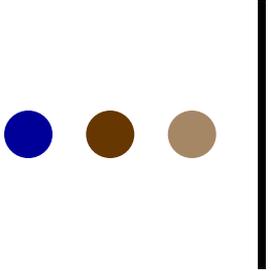
Other Challenges:

Differences in Benefit Package

- Traditional Medicaid is most generous
- Medicaid for the newly eligible must be at least as generous as the essential benefits package mandated for Qualified Health Plans, but must also cover EPSDT, nonemergency transportation, and family planning.
- Private plans offered through the HBE must cover essential health benefits.

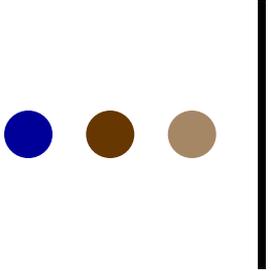
Differences in Benefit Package

	Essential Benefits	Minimum Benchmark	Standard Medicaid
Physician Services	√	√	√
Lab and x-ray	√	√	√
Inpatient hospital services	√	√	√
Prescription drugs	√	√	√
Pediatric services (inc. oral/vision)	√	√	√
Mental health/substance abuse	√	√	√
Outpatient hospital services	√	√	√
Rehabilitative/habilitative services	√	√	√
EPSDT		√	√
Family planning		√	√
Non-emergency medical transportation		√	√
FQHC/Rural Health Clinic services		√	√
Nursing facility services			√
Home health care services			√



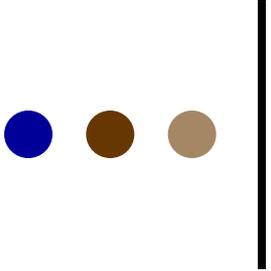
Coverage Questions

- What appeal rights do individuals have if they are denied full Medicaid coverage and:
 - Enrolled as a “newly eligible” (eligible for the benchmark coverage) or
 - Enrolled into the HBE with subsidy (eligible for essential benefits package)?
- Is there a way to minimize coverage loss for people shifting between plans?



Other Challenges

- Different provider networks between Medicaid and qualified health plans in the HBE.
 - How to minimize loss of provider coverage when move between HBE and Medicaid coverage?
- Different quality reporting standards between Medicaid and HBE.
 - Should state try to align quality reporting standards in Medicaid and HBE?



Questions

- What, if any, steps should North Carolina take to minimize loss of provider coverage when North Carolinians move from Medicaid, CHIP, to private coverage in the HBE?
- Should North Carolina try to align quality measures across insurance-types?