

Streamlining the Medicaid Program: A win-win for Nebraska

NOVEMBER 2020

HEALTH CARE ACCESS PROGRAM
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NEBRASKA APPLESEED



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For over fifty years, Medicaid has provided health care coverage to hundreds of thousands of low-income Nebraskans, helping children in Nebraska succeed in school and keeping the state's communities healthy.

Medicaid not only supports the health and well-being of Nebraskans, it also supports Nebraska's workforce, health systems, and economy.

When people have access to health care through Medicaid, they are more financially secure and economically productive; but without coverage, untreated conditions can turn into severe health issues, causing social and economic costs to soar. Medicaid supports hospitals and providers across Nebraska by reducing the cost of uncompensated care and providing coverage to vulnerable individuals so that health systems can provide care to patients when it is most effective and efficient. Today, **more than one in ten Nebraskans** rely on Nebraska Medicaid or Children's Health Insurance Program (CHIP) coverage.¹ Most of Nebraska's Medicaid enrollees are kids--over 65% of Nebraskans receiving coverage are children.² While Medicaid is always an important program for Nebraskans, it is especially important now, as Medicaid was built to be responsive to economic downturns and crises like the current COVID-19 pandemic.

Despite its importance, Medicaid benefits do not always reach all Nebraskans that are eligible. Burdensome administrative hurdles and inefficiencies can have harmful effects on Medicaid enrollment, preventing individuals who are eligible from enrolling and staying enrolled. Streamlining administrative processes within the Medicaid program not only benefits those who are entitled to receive Medicaid benefits, but it also yields tangible benefits to the state by increasing administrative efficiency and decreasing state costs. Nebraska can do more to ensure that this program is efficient and works for all Nebraskans.

This paper provides an overview of policies that can strengthen Nebraska's Medicaid program by making it more accessible to eligible Nebraskans while leveraging key administrative efficiencies to cut costs and reduce the red tape that is often a barrier for the most vulnerable to access health care coverage.

How can Medicaid work better for Nebraska?

Through a combination of state-level administrative policy changes and Medicaid State Plan Amendments (SPAs), Nebraska can take several simple steps now to improve its Medicaid program, which will have positive impacts throughout the pandemic and beyond.

An overview of the suggested policy changes is below:

- I. REDUCE PAPERWORK** through increased cross-program data sharing, Marketplace eligibility determinations, and self-attestations.
- II. EXPAND PRESUMPTIVE ELIGIBILITY** by permanently expanding the Medicaid populations eligible for presumptive eligibility determinations and permitting additional entities to make such determinations.
- III. IMPROVE ONLINE APPLICATIONS** by making account creation optional and creating application assister online portals.

I. REDUCE PAPERWORK

Paperwork requirements can prevent eligible individuals from enrolling in Medicaid coverage and can even cause those enrolled to improperly lose their Medicaid coverage.³ States like Nebraska⁴ who choose to perform periodic data matches can generate even more paperwork than is legally required, further exacerbating the paperwork problem. In Nebraska, less than 25% of Medicaid renewals are automated and completed without enrollee action.⁵ Medicaid's annual renewal process and periodic data matches can cause enrollees to lose coverage even when they are still eligible for Medicaid.⁶ Excessive paperwork contributes to churn, which refers to frequent changes in eligibility in Medicaid.⁷ Because churn leads to periods of time where individuals are left uninsured, churn interferes with the continuity of care, which results in high health care costs and increased administrative burdens for providers, managed care organizations, and state health departments. Decreasing paperwork can help prevent churn and promote coordinated care while decreasing health care system costs, unnecessary coverage losses, and administrative costs.

Using cross-program data, permitting Marketplace eligibility determinations, and accepting more self-attestations are simple steps that the Nebraska Department of Health and Human Services (DHHS) can take to decrease barriers and improve administrative efficiency.

A. Utilize Cross-Program Data

Nebraska can streamline Medicaid enrollment by sharing data across its programs to help make Medicaid eligibility determinations. Using information across public benefit programs makes state programs more efficient and reduces burdens for those who utilize the programs.⁸

Even if states already have certain information about an individual through other public assistance programs, states often require Medicaid applicants to submit that same information for Medicaid eligibility determinations. Not only does this unnecessarily burden the individuals seeking Medicaid coverage, but it also creates duplicative work for state administrators, resulting in unnecessary administrative costs.⁹ Many assistance programs have eligibility criteria similar to Medicaid, meaning that those who are eligible for other assistance programs are likely to be eligible for Medicaid. States have several opportunities to improve data sharing through Medicaid State Plan Amendments (SPAs).

i. Express Lane Eligibility for Children

Medicaid and the CHIP are important health care coverage sources for children in Nebraska; one in four Nebraska children are enrolled in Medicaid.¹⁰ Through such coverage, children are able to attend well-child visits, receive vaccines, and other important care. Unfortunately, children are often susceptible to improperly losing their Medicaid or CHIP coverage at renewal due to administrative reasons.¹¹ This, of course, leads to churn, which disrupts children's continuity of care and can be detrimental to child development. Even more, **Nebraska has one of the lowest children participation rates in Medicaid/CHIP in the nation**, with only eight states having lower rates.¹² Only 88.6% of the Nebraskan children that are eligible for Medicaid or CHIP are enrolled.¹³ Nebraska can improve children's access to coverage by adopting Express Lane Eligibility (ELE) through a SPA. ELE allows states to use administrative efficiencies to quickly and simply enroll children or renew their coverage based on information available from other programs.¹⁴

Under ELE, states may use data from a variety of other public benefits programs, such as the Supplemental Nutrition Assistance Program (SNAP), school lunch programs, Head Start, Temporary Assistance for Needy Families (TANF), and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC),

to help make children's eligibility determinations for Medicaid and CHIP.¹⁵ States can also use state income tax data to make streamlined children's eligibility determinations.¹⁶ Fourteen states, including Iowa and Alabama, have used ELE to improve eligible children's access to Medicaid and/or CHIP.¹⁷

Adopting ELE benefits both children and the state administrative systems. ELE promotes administrative efficiency by removing duplicative processes and decreases burdens on families trying to get or keep their eligible children covered.¹⁸ Evidence has shown that ELE can increase enrollment and retention of eligible children.¹⁹ States that have used ELE also report cost savings and reduced administrative burdens by using cross-program data.²⁰

ii. Fast Track State Plan Amendment Option

Similar to ELE, which applies to children's coverage, states also have the option to use data from other public benefits programs for other Medicaid populations in order to streamline enrollment by submitting what is known as a Fast Track SPA.²¹ The Fast Track SPA permits states to use data from other public benefit programs such as SNAP, TANF, or the Low-Income Home Energy Assistance Program (LIHEAP) in Medicaid initial eligibility determinations and renewals.²² So far, four states have taken up the Fast Track SPA option.²³ Using data from other public benefit programs such as SNAP often leads to maintaining more current, accurate, and complete information, keeping eligible individuals enrolled in Medicaid, and improving the accuracy of the Medicaid program.²⁴

B. Allow Marketplace to Make Medicaid Determinations

Nebraska should permit the federal Marketplace to make eligibility determinations for Nebraska's Medicaid program. Many people find out that they may be eligible for Medicaid while applying for insurance through their Marketplace application. Like many other states, Nebraska uses the federally-facilitated marketplace (FFM) instead of a state-based marketplace.²⁵

Based on a state's decision, when someone applies for coverage through the FFM, the FFM can conduct either a state Medicaid eligibility determination or a preliminary eligibility assessment for non-disabled groups.²⁶

If a state permits the FFM to make state Medicaid eligibility determinations, the FFM determines, based on information the applicant already provided, whether someone is eligible for Medicaid. If the FFM determines someone is eligible, the applicant is transferred to the state agency for enrollment in the state Medicaid program.²⁷

If a state only permits the FFM to perform preliminary eligibility assessments, the FFM only conducts an initial assessment of eligibility and refers the application to the state Medicaid agency to make the eligibility determination.²⁸ This requires the state Medicaid agency to conduct a separate eligibility determination before someone can be enrolled in Medicaid.

Currently, Nebraska only permits the FFM to perform an eligibility assessment, which means that state Medicaid officials have to separately process and determine Medicaid eligibility.²⁹ This creates additional state work and can cause unnecessary delays in enrolling someone who is eligible in Medicaid, which can prevent eligible individuals from becoming enrolled in Medicaid.³⁰ Permitting the FFM to make eligibility determinations will take advantage of available federal resources, reduce the burden on state administrators, eliminate duplicative processes, as well as provide quicker and streamlined processes for Medicaid enrollees. Several Midwestern states have already taken advantage of this federal process, including Montana and Wyoming.³¹

C. Self-Attestation

States can further reduce paperwork requirements by increasing the use of self-attestation. Instead of requiring outside documentation or third-party verification to show that applicants meet various eligibility factors, state Medicaid programs have the flexibility to accept self-attestations from Medicaid applicants. Currently, Nebraska only accepts self-attestations in limited circumstances to show that applicants meet eligibility requirements, such as state residency, household composition, and pregnancy.³² By revising its Medicaid state verification plan, DHHS could expand its use of self-attestations for other eligibility factors or permit self-attestation with post-eligibility verification on a variety of factors, including age and date of birth.³³

Permitting expanded self-attestation will help reduce paperwork that will benefit both beneficiaries and state administrative workers.

II. EXPAND PRESUMPTIVE ELIGIBILITY

Nebraska can expand both the groups eligible for presumptive eligibility and expand the entities allowed to make presumptive eligibility determinations. Presumptive eligibility allows providers to gather small amounts of preliminary information about patients to quickly determine whether the patients would qualify for Medicaid. If patients meet the criteria, they are able to receive temporary Medicaid coverage. For continued Medicaid coverage, patients must submit a standard Medicaid application.

Presumptive eligibility is beneficial to providers and beneficiaries alike, as providers are able to help patients understand their eligibility for Medicaid coverage and ensure quick enrollment, while providers are able to reduce their levels of uncompensated care by identifying Medicaid as a guaranteed payor for the services provided to patients in need.³⁴ Nebraska Medicaid can improve its use of presumptive eligibility by permanently expanding the groups eligible for presumptive eligibility and expanding the entities that can make the presumptive eligibility determinations.³⁵

a. Expand Medicaid Populations Eligible for Presumptive Eligibility

Nebraska can expand the groups eligible for presumptive Medicaid eligibility by submitting a Medicaid SPA.³⁶ Usually, Nebraska Medicaid only permits qualified providers to make presumptive eligibility determinations for pregnant women and qualified hospitals to make hospital-based presumptive eligibility determinations for children, pregnant women, parent/caretaker relatives, Medicaid expansion, former foster care youth, and breast and cervical cancer eligibility groups.³⁷ Under Nebraska regulations, a wider variety of providers, including qualified health clinics and outpatient hospitals, can make presumptive eligibility determinations for pregnant women to receive ambulatory prenatal care.³⁸ Hospital-based presumptive eligibility permits only hospitals to make presumptive eligibility determinations for their patients that qualify under the eligibility groups listed above.³⁹ However, through an emergency SPA during the COVID-19 public health emergency, Nebraska Medicaid is permitting the providers qualified to make presumptive eligibility determinations for pregnant women to make eligibility determinations for additional Medicaid eligibility groups, including parent/caretaker relatives, former foster care children, and children under age 19.⁴⁰

This temporary expansion of presumptive eligibility should be permanently adopted through submission of a SPA.

Nebraska should also permit qualified providers to make presumptive eligibility determinations for additional eligibility groups beyond those specified in the COVID-19 emergency SPA. Other states have effectively used these expanded forms of presumptive eligibility to promote enrollment. For example, nineteen states already permanently permit presumptive eligibility determinations for children.⁴¹

b. Expand Entities Permitted to Make Presumptive Eligibility Determinations

In addition to expanding the groups eligible for Medicaid presumptive eligibility, Nebraska Medicaid can also expand the entities permitted to make presumptive eligibility determinations. As mentioned above, Nebraska Medicaid usually only permits hospitals and qualified providers for pregnant women to make presumptive eligibility determinations. However, Nebraska can go further to permit more entities to make presumptive eligibility determinations. States can permit community organizations, such as schools and community-based service providers, to make presumptive eligibility determinations.⁴² Allowing entities other than health care providers to make presumptive eligibility determinations may help increase the reach of the Medicaid program into populations that may not come into contact with traditional health care providers. Additionally, Nebraska's Medicaid agency itself could also elect to make presumptive eligibility determinations.⁴³

III. IMPROVE ONLINE APPLICATIONS

States can also take action to simplify the online application processes to make them more accessible. To ensure that the online systems are able to be efficiently utilized, Nebraska can make simple changes to its online application, which will improve access and reduce the workload of state administrative staff. In Nebraska, nearly half of Medicaid applications are submitted online.⁴⁴

Making account creation optional and creating an online portal for enrollment assisters can improve Nebraska's application system for beneficiaries and help the state system run more smoothly.

a. Make Online Account Creation Optional

One simple way that Nebraska can make its online application more accessible is by making account creation on its online portal optional.

Currently, Nebraskans can apply for Medicaid online through ACCESSNebraska, which requires users to set up an account or log into an existing account. Setting up an online account is not required to be considered eligible for Medicaid, and requiring an account can be a barrier that dissuades eligible people from applying for Medicaid.⁴⁵ To apply for Medicaid online in Nebraska, users have to create an account by setting up a user ID, password, and create security questions. While account creation can be helpful for some individuals to return to an incomplete application or submit renewal or verification data, it can be a barrier for others who are not familiar with online accounts. Passwords are also notoriously difficult to remember and reset when needed, which can sometimes even lock people out of their accounts.⁴⁶ Since account creation is not necessary for an eligibility determination, it should be optional, permitting some to take advantage of this structure while allowing others to complete an application without jumping through these hoops.

b. Create an Online Portal for Application Assisters

As of January 2020, 30 states have separate portals or secure log-in information in their online application systems to enable third party application assisters to submit applications on behalf of Medicaid applicants.⁴⁷ Application assisters help applicants apply for Medicaid by providing guidance and answering questions about the application process. States can provide another tool for application assisters to help eligible individuals get signed up for Medicaid by creating separate portals or log-ins for application assisters to submit facilitated applications.⁴⁸ Providing an online portal for assisters will help further streamline the system.

IV. CONCLUSION

Medicaid is a vital program for Nebraskans. By streamlining administrative processes within the Medicaid program, Nebraska can ensure that eligible individuals are able to access health care while also increasing administrative efficiency. Reducing paperwork, expanding presumptive eligibility, and improving online applications are simple ways that Nebraska can achieve these goals.

Endnotes

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