

# medicaid and the uninsured

APRIL 2010

## Optimizing Medicaid Enrollment: Perspectives on Strengthening Medicaid's Reach under Health Care Reform

### Executive Summary

The Patient Protection and Affordable Care Act, the health care reform legislation signed into law on March 23, 2010, expands Medicaid significantly to cover millions more low-income, uninsured individuals – primarily, working-age adults who have no previous experience in the program. Anticipating the possibility of an expanded national role for Medicaid, the Kaiser Commission on Medicaid and the Uninsured and Lake Research Partners recently interviewed Medicaid program directors, experts, and thought leaders concerning the opportunities for strengthening Medicaid's reach to consumers and motivating participation, as well as the related challenges. All of those interviewed saw in the prospect of a new “culture of coverage” and the expansion of Medicaid a strategic moment to recast Medicaid as an affordable health coverage program for working people and families, and to improve its enrollment and renewal operations. They viewed achieving strong Medicaid participation as essential to fulfilling reform's broader coverage goals. There was consensus on the following major points:

***Medicaid's expanded coverage role under health reform and the mandate to obtain coverage call for introducing Medicaid to the public in a new way.*** Health reform's individual mandate to obtain coverage establishes an expectation that everyone should be insured, laying the foundation for a new culture of coverage in the U.S. The reform law designates Medicaid as the coverage pathway for low-income Americans, situating it firmly in the national coverage framework. For the expansion of Medicaid to millions more people to result in the hoped-for gains in coverage, the program needs to be introduced to the whole public and in ways that encourage the participation sought by the individual mandate. Steps to recast and strengthen Medicaid, improve outreach, and facilitate participation are essential to implement the mandate because most of the uninsured are low-income people whom Medicaid should now cover. The transformative changes that health reform brings about in Medicaid and system-wide present an ideal opportunity to give Medicaid an appealing new program name, such as *Healthy US*, that reflects a national identity, conveys that it (like private insurance) is health coverage for working individuals and families, and provides the foundation for effective outreach.

***Making Medicaid enrollment and renewal easy is necessary to accomplish national coverage goals.*** Easy enrollment and renewal processes are fundamental to achieving robust participation in Medicaid. Although states have made great strides in this area for children, they have made less progress where adults are concerned. Widening Medicaid “on-ramps” by improving enrollment and renewal processes, using automation and technology to facilitate participation, developing more effective messages and outreach, offering diverse modes for enrolling, and partnering with community organizations, providers, and others would help ensure that Medicaid finds and covers eligible individuals and families. In many cases, a culture shift may be needed to reorient Medicaid management, systems, and caseworker training away from welfare-style “gatekeeping” and toward encouraging participation.

**Federally led initiatives to develop model Medicaid systems and increased federal funding for state capacity-building are important.** The infusion of millions more people into Medicaid creates a new impetus for automation and streamlining in state enrollment systems, especially in light of state workforce reductions and budget pressures stemming from the recession. Particularly given Medicaid's role in the overall coverage framework, it is appropriate for CMS to spearhead automation efforts by developing model enrollment systems for states and providing technical assistance and incentives to promote their adoption. States will need federal resources to build their capacity and to fund investments in systems, outreach, and other initiatives to strengthen Medicaid participation. Because there is wide variation across the states with respect to resources, capacity, and other variables, some states will need more federal help than others.

**Medicaid coverage must translate into access to care.** The success of efforts to improve participation in Medicaid depends in part on whether the program delivers what it promises – access to health care providers and services. Efforts to recast Medicaid could backfire if states try to market Medicaid to providers without better payment levels and other support – investments that are difficult for states to afford under current recessionary pressures – or if Medicaid enrollees cannot find doctors, dentists, specialists, or other providers to see them.

**Medicaid can be promoted effectively.** With an appealing name, underpinned by real, operational changes that make Medicaid consumer-friendly and improve support for providers, the program can be marketed effectively. The impact of messages that promote Medicaid as health coverage “pure and simple,” and that convey the value of the coverage and encourage enrollment, could be great. Affordability and high quality are also themes to highlight.

Health reform lays out a national plan for covering Americans that has a large expansion of Medicaid eligibility as its cornerstone. This expansion of Medicaid and the increased expectations of Medicaid to advance national coverage goals amount to a prescription to optimize enrollment in the program. That is, improving Medicaid's reach among eligible individuals and families is not merely desirable, it is essential to achieving health reform's central purpose. To fully harness the potential for Americans to view participation in Medicaid favorably, and to ensure that Medicaid programs are ready and able to take on their broadened role in 2014, tangible progress in these directions needs to begin now.