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Louisiana's Express Lane Eligibility

The recently enacted health reform law provides for a national expansion of Medicaid eligibility, effective January 1, 2014, that will extend coverage to an estimated 16 million more low-income Americans, primarily uninsured adults, by 2019. In addition, the law requires implementation of a coordinated system for determining eligibility for Medicaid and subsidized coverage in the new health insurance exchanges. With these impending new demands on Medicaid eligibility and enrollment processes, and continuing strains on state resources stemming from the recession, the impetus to streamline and automate Medicaid systems has never been greater.

In a recent report, "Optimizing Medicaid Enrollment: Perspectives on Strengthening Medicaid's Reach under Health Reform," the Kaiser Commission on Medicaid and the Uninsured explored how the Medicaid program might be improved to prepare it for its expanded coverage role. Springing from that work, this new series profiles innovative applications of technology in Medicaid in selected states, illustrating a range of approaches states can adopt to improve their systems and to gear up to implement the Medicaid expansion and health reform overall. The series begins in Louisiana, a pioneer in using "Express Lane Eligibility."

What is Express Lane Eligibility?

Express Lane Eligibility (ELE), authorized by the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA), allows state Medicaid and CHIP agencies to rely on eligibility findings from other public programs such as SNAP (Supplemental Nutrition Assistance Program, formerly Food Stamps) or Head Start, and/or on tax return data, to identify, enroll, and recertify children, rather than requiring a reassessment of common eligibility factors using Medicaid or CHIP rules. By using ELE, states can improve low-income children's participation in health coverage while increasing government efficiency. Family consent is necessary to permit programs to share data on a child with Medicaid or CHIP for eligibility determination purposes. Affirmative consent is required to permit automatic enrollment in Medicaid or CHIP based on data obtained from other programs.



How does ELE work in Louisiana?

In Louisiana, the Medicaid program uses eligibility findings from SNAP to identify and automatically enroll eligible-but-not-enrolled children in Medicaid. Using SNAP eligibility findings makes sense because children who meet SNAP's income standard (130% of poverty) and other eligibility criteria include the children who are most likely to be eligible for Medicaid but uninsured. The SNAP application informs parents that if their children qualify for SNAP, they may also qualify for free health insurance. If parents do not wish their information to be shared with Medicaid, they can decline this option on the SNAP application.

Here is how it works. An interagency agreement permits the Department of Social Services (DSS), which determines SNAP eligibility and is the designated "Express Lane agency," to transfer data files electronically to the Department of Health and Hospitals (DHH), which administers Medicaid. Every month, DSS sends DHH an electronic file of individuals receiving SNAP. To prevent duplicate enrollment in Medicaid, DHH matches the SNAP files for children under age 19 against Medicaid files to identify those children who are already enrolled. DHH then adds the remaining children to Medicaid eligibility and simultaneously conducts an electronic match with Social Security Administration (SSA) data to verify their citizenship status. Next, relying entirely on the SNAP eligibility data and SSA data match, DHH automatically enrolls the SNAP children in Medicaid—without any additional eligibility determination.

Data elements from the SNAP files, including date of birth, social security number, mailing address, residence, identity, and race, as well as citizenship status from SSA files, automatically populate the Medicaid case files established for the children so that the program knows who is enrolled, can contact them for renewal, and can support other program operations. When DHH enrolls SNAP children in Medicaid, it also sends their parents Medicaid enrollment cards for the children, along with a letter telling them that their children are approved for Medicaid coverage. At present, Louisiana treats a child's first use of the Medicaid card to access care as the family's "affirmative consent" to automatically enroll the child in Medicaid. However, as explained later, the state is in the process of modifying this approach.

What did it take?

ELE is the most recent accomplishment in an effort Louisiana began nearly a decade ago to reduce the number of uninsured children in the state. In 2001, DHH embarked on a major initiative to streamline eligibility renewal to prevent children from losing coverage because of paperwork. Use of information already in state systems to verify continued eligibility was fundamental to this reform. Also, DHH reoriented its eligibility staff, training them to assist applicants in enrolling—a major departure from the “gatekeeping” approach. In recent years, a budget-driven effort to automate systems government-wide to increase efficiency and improve customer service gave ELE a major boost. In 2007, Louisiana passed legislation to expand coverage and adopt ELE contingent on federal Congressional approval, and preparations to implement ELE began in May 2009. DHH invested significant staff time to develop ELE and work out data-matching problems, which can be complicated. The agency obtained private grant funding for the effort, so did not require additional state Medicaid dollars. A high level of cooperation from DSS was also key to the successful implementation of ELE, and DSS modified its forms and electronic file structure, incurring a small one-time cost, to support the initiative.

What is the impact of ELE?

In February 2010, the month after ELE was launched, Medicaid enrolled more than 10,000 children in one stroke using the new process, and by June 2010, the total number of children enrolled using ELE reached 14,000. Despite a 12% reduction in the Medicaid workforce in the last two years, neither the volume nor the quality of eligibility processing has declined. In addition, over 30% of newly enrolled children have already used their coverage to obtain care, especially dental services and prescription drugs.

What key issues have emerged?

Data matching is “not magic.” DHH officials noted how small inconsistencies in data between DSS and DHH files (transposed numbers in the social security number and date-of-birth fields are the most common) can cause a match to fail. Manual review and resolution in these cases prevent the duplicate Medicaid enrollment of children that could otherwise occur. The state is still smoothing out these wrinkles.

Louisiana’s practice of considering a child’s use of the Medicaid card to be affirmative consent for automatic enrollment is temporary. In the near future, DSS will be changing the SNAP application, replacing the existing check-box to opt out of sharing information with DHH with a new check-box that will indicate a wish to opt in to information-sharing and automatic enrollment of the applicant’s child in Medicaid. DSS will transfer to DHH only the SNAP files for children whose parents opt in, and DHH will neither enroll children in a Medicaid managed care plan nor pay a capitation fee for them unless affirmative consent has been provided in this way.

What’s next in Louisiana?

Now, Medicaid eligibility workers are conducting ELE renewals by manually searching the SNAP eligibility system to find out whether their child cases are still eligible for SNAP and, if so, renewing their coverage for 12 months. By the end of 2010, Louisiana plans to expand its use of ELE to automate Medicaid renewal as well as initial enrollment. Using ELE, the Medicaid system would query the SNAP system and automatically renew the child’s coverage for 12 months if the SNAP case was active. Louisiana is also planning to use additional sources of data for ELE. The state already has permission to use data from school lunch files in addition to SNAP data for ELE purposes, and it is exploring adding Child Care Assistance and WIC as Express Lane agencies. Looking ahead to the significant increase in Medicaid caseload volume under health reform, expectations are that, if authorized, using ELE for the newly eligible adult population as well as children could save the state millions in additional staffing costs while also facilitating enrollment.

Looking ahead

In February 2010, HHS Secretary Sebelius issued a challenge to enroll all 5 million eligible-but-uninsured children in Medicaid and CHIP over the next five years. This “Connecting Kids to Coverage” campaign provides a fresh impetus for states to adopt and implement ELE. States that harness the potential of ELE to enroll children in Medicaid today are likely to realize not only important gains in children’s coverage, but also system efficiencies that can help states prepare for the new pressures on Medicaid eligibility and enrollment processes when the Medicaid expansion under health reform is implemented in 2014. To most fully tap ELE’s capacity to advance both coverage and efficiency goals, federal policy would need to permit the application of the ELE authority to adults as well as children.

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