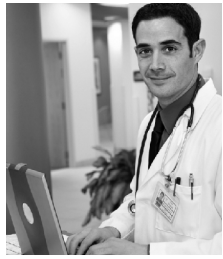


e-health snapshot



Harnessing Technology to Improve Medicaid and SCHIP Enrollment and Retention Practices

The Children's Partnership and The Kaiser Commission on Medicaid and the Uninsured

Prepared by
Beth Morrow with Dawn Horner
The Children's Partnership

May 2007

e-health snapshot

The Children's Partnership

The Children's Partnership (TCP) is a national, nonprofit organization working to ensure that all children—especially those at risk of being left behind—have the resources and the opportunities they need to grow up healthy and lead productive lives. The Children's Partnership focuses particular attention on the goals of securing health coverage for uninsured children and ensuring that the opportunities and benefits of digital technology reach all children and families. TCP's newest program, "Defining and Promoting an E-Health Agenda for Children," aims to harness information & communications technology to improve the health of America's children. With input from its highly respected advisors, The Children's Partnership advances its goals by combining national research with state-based activities that translate analysis into local action. The Children's Partnership has offices in Santa Monica, CA and Washington, D.C.

1351 3rd Street Promenade, Suite 206
Santa Monica, CA 90401
Phone: (310) 260-1220

2000 P Street, NW, Suite 330
Washington, DC 20036
Phone: (202) 429-0033

E-mail: frontdoor@childrenspartnership.org
Web site: www.childrenspartnership.org

The Kaiser Commission on Medicaid and the Uninsured

The Kaiser Commission on Medicaid and the Uninsured provides information and analysis on health care coverage and access for the low-income population, with a special focus on Medicaid's role and coverage of the uninsured. Begun in 1991 and based in the Kaiser Family Foundation's Washington, D.C. office, the Commission is the largest operating program of the Foundation. The Commission's work is conducted by Foundation staff under the guidance of a bi-partisan group of national leaders and experts in health care and public policy.

1330 G Street, NW
Washington, DC 20005
Phone: (202) 347-5270

Web site: www.kff.org

e-health snapshot

Harnessing Technology to Improve Medicaid and SCHIP Enrollment and Retention Practices

The Children's Partnership and The Kaiser Commission on Medicaid and the Uninsured

Prepared by
Beth Morrow with Dawn Horner
The Children's Partnership

May 2007



THE KAISER COMMISSION ON
Medicaid and the Uninsured



FOREWORD

A Message From The Kaiser Commission on Medicaid and the Uninsured

Health coverage is key to assuring that children in America get a healthy start in life. Medicaid and SCHIP have proven to be enormously successful in expanding health coverage of children. State and federal decisions to invest in outreach and to facilitate Medicaid and SCHIP enrollment have paid off. Over the last decade, these programs have been primarily responsible for reducing the number of low-income uninsured by one third. Yet, even though parents value coverage and program participation rates are high (averaging 75 percent) more work is needed to reach the 9 million children who remain uninsured.

Information technology holds considerable promise for improving outreach to families with uninsured children, getting them enrolled in Medicaid and SCHIP and keeping them covered. The work of the Kaiser Commission on Medicaid and the Uninsured has shown that Medicaid and SCHIP coverage is pivotal to the health of children. As the nation adopts advances in information technology, adopting these tools in public programs would promote coverage of eligible children.

The Children's Partnership has conducted extensive research to determine how information technology can be applied to increase coverage of children in Medicaid and SCHIP. In this report, they document the promising practices underway across the country. These efforts use technology to make enrollment and renewal more efficient, more responsive to family needs, and more accountable to the public. The report identifies additional actions that can be taken at the federal and state level to use these tools wisely to benefit the administration of public programs. Federal and state leadership are essential to realize the promise of technology. Investing in new technology builds on successful strategies to improve the health coverage of America's children.

FOREWORD

**A Message From
Wendy Lazarus & Laurie Lipper
Founders and Co-Presidents, The Children's Partnership**

Information and communications technologies offer some of the most promising yet under-applied tools to reach the nearly nine million U.S. children who are not enrolled in health insurance.

In recent decades, private industry has demonstrated that electronic technology and computerized information can make transacting business easier for both service professionals and consumers and, at the same time, generate substantial cost-savings. States and public agencies have also experimented with technology and have developed a wide variety of effective models and solutions.

But, to date, these advances have rarely been applied to serve children and their families through publicly funded health programs. Since three-quarters of uninsured children qualify for Medicaid or SCHIP, information technologies hold tremendous potential to identify and enroll needy children and keep them covered.

With the reauthorization of the State Children's Health Insurance Program (SCHIP) this year and the debate on how to improve the program, now is the time to apply what has been learned from both private sector and state projects. Now is also the time that states interested in utilizing technology to improve child health programs can find a variety of proven strategies to do so.

This report reviews promising practices underway across the country and provides concrete ideas for leaders at the federal level, in the states, and in the philanthropic and corporate communities who want to use technology tools effectively. We hope they will recognize the potential of these new tools to improve programs for children and take needed actions.

This report is part of The Children's Partnership's broader e-health program which undertakes research, builds demonstrations in local communities, and promotes public policies that harness information and communications technology to improve the health of America's children. We look forward to joining forces with private and public sector partners to make sure that all children get the benefit of technology's advances.

ACKNOWLEDGMENTS

This paper is the result of extensive research of Web-based publications and interviews in the field. In particular, the authors would like to thank our Project Advisors for their valuable ideas, advice and input:

Bobbi Wilbur, The Center to Promote HealthCare Access
Sam Karp, California HealthCare Foundation
Molly Coye, Health Technology Center
Stan Dorn, Urban Institute

In addition, we thank the following individuals for their valuable input and analysis: Claudia Page, Dick Burk, Rick Friedman, Laurie Collins, Donna Cohen Ross, Erik Mickelson, Mike Fenton, Garland Land, Rachael Stewart, Dennis Brown, Mary Wood, Ruth Kennedy, and Kurt Weiss. The authors express gratitude to our colleagues at The Children's Partnership: Terri Shaw, Jenny Kattlove, and Kristen Golden Testa for their thoughtful feedback on this report; Rebecca Shwalb and Carrie Spencer for editorial support; and Wendy Lazarus and Laurie Lipper for their guidance and encouragement throughout the project. We thank Barbara Lyons and The Henry J. Kaiser Family Foundation for their support of this project. Our thanks go also to The California Endowment for its ongoing support of our Express Enrollment work, which included some research used in this report.

TABLE OF CONTENTS

1	Executive Summary
5	Introduction
6	Benefits for Children’s Health and Challenges
9	Policy Goals and Promising Technology
9	Reach Uninsured and Eligible Children Where They Are
10	Automate Application and Renewal Processing
12	Coordinate Efforts Across Agencies and Optimize Use of Existing Systems
14	Guarantee Privacy and Secure Information Exchange
15	Enhance the Effectiveness and Ease of Verification
17	Steps Federal and State Governments Can Take to Make Technology Solutions Work for Medicaid and SCHIP
17	Needed Federal Leadership
19	Needed State Leadership
20	Stakeholders Can Move These Solutions from Concept to Deployment
21	Conclusion

EXECUTIVE SUMMARY

Medicaid and the State Children's Health Insurance Program (SCHIP) successfully provide over 30 million children with access to regular ongoing preventive care that they might not otherwise have. But the programs, and their critical services, should reach even more children.

- Many uninsured children who are eligible for the programs are not enrolled. Nearly 9 million children in the United States are uninsured, despite the fact that about three-quarters are eligible for Medicaid and SCHIP.
- Once children enroll they oftentimes lose that coverage and become uninsured, even though they remain eligible. This type of intermittent coverage diminishes the quality of care received by children and creates unnecessary and duplicative administrative expenses.

Children fail to enroll and/or lose coverage primarily due to misinformation, difficult enrollment and renewal procedural requirements, and inefficient administrative practices. This report explores how technological innovations occurring today in health and other industries can be applied to remove these impediments from Medicaid and SCHIP enrollment and retention practices and, at the same time, make the programs more efficient, freeing up resources to fund coverage for more children. It is based on extensive research about activities underway in states and local communities and interviews with experts in the field.

INFORMATION TECHNOLOGY:

BENEFITS FOR CHILDREN'S HEALTH AND CHALLENGES

The United States is undergoing an information technology revolution, with some of the most promising activities taking place in the health care system. These same advances have not been widely deployed to improve the administration of public health insurance programs though there are many benefits to doing so more extensively. Available technology can:

Make it significantly easier for families to learn about, apply for, enroll in, and retain health insurance coverage. Electronic applications and automation can replace paper and manual processes, while the collection of data into a centralized system can limit how, and how often, families submit information. Technology can also help improve coordination between separate Medicaid and SCHIP programs.

Generate substantial cost-savings, thus freeing up funds to provide better services to more children. States realize great returns on their investments in technology that increase administrative efficiency and streamline government functions.

Improve data collection and quality control and, in a world of limited resources, ensure that services reach those most in need. Technology has the ability to provide automated data checking against other databases and to perform necessary eligibility calculations. In addition, technology can speed up the submission of an application and database checks can fill in any missing details or update data for renewal of services.

While its benefits can be impressive, technology also presents some challenges:

High Up-Front Investment. The greatest hindrance to expanded use of technology innovations in healthcare enrollment is funding, since technology advances usually require substantial up-front investment. The high initial price tag must not be considered simply another expenditure, but instead be viewed within the context of the longer-term payoff in cost-savings, added efficiency, and better service provision.

Cultural Change. Technology advances ask people to fundamentally change the way they do their work and require agencies to work together to be most effective.

Policy Impediments. There are a number of federal policy impediments that hinder real coordination, streamlining, and simplification of public programs like Medicaid and SCHIP. These impediments can be addressed head on, however, through policy changes and by using technology to ease restrictions.

Limitations in Technical Expertise. Public officials and staff usually are not familiar with new technologies and must work with and trust outside vendors. To build the smartest system, states need to take a step back and look at their technology needs with a vision that extends beyond individual departments and business units (that is, enterprise-wide).

POLICY GOALS AND PROMISING TECHNOLOGY

Technology is only valuable if it is used in the direct service of a policy goal. There are five critical Medicaid and SCHIP enrollment policy goals that can be advanced with technology that improves systems and services for children. This report provides a number of real world examples for each.

1. Reach Uninsured and Eligible Children Where They Are

States can reach uninsured children and keep them covered more effectively by using available technology to educate families about the value of health coverage, increase and routinize their access to enrollment and renewal opportunities, and simplify the enrollment and renewal processes.

Promising practices include using the Web to educate families about programs and their options and allowing families to apply online, at home, and through other public programs.

2. Automate Application and Renewal Processing

As the enrollment processes become automated, the systems become simpler, more efficient, and more effective for everyone involved.

Promising practices include allowing for e-signatures, automating the collection of eligibility data, and automatically enrolling eligible children using database matching and information obtained from other public programs.

3. Coordinate Efforts Across Agencies and Optimize Use of Existing Systems

Increasingly, exchange of data among government institutions is being recognized as a way to improve access to public programs, improve coordination between Medicaid and SCHIP, simplify entry, ensure continuity of services, and increase administrative efficiency.

Promising practices include sharing assets across agencies as well as using enterprise service bus or other middleware to integrate applications across otherwise incompatible systems.

4. Guarantee Privacy and Secure Information Exchange

Families must be assured that information provided to the government will only be exchanged with their consent and that, when shared, it will be protected from misuse during the transfer.

Promising practices include ensuring that families must provide consent before information can be exchanged, establishing Memorandums of Understanding between agencies to ensure data is only used for purposes of enrollment, and building security and firewall measures into all technology products.

5. Enhance the Effectiveness and Ease of Verification

Electronic verification of Medicaid and SCHIP eligibility information will simplify enrollment and retention processes and make them more accurate.

Promising practices include using data brokering systems to manage data, linking directly to primary records to get timely data, and building error protections into electronic verification procedures.

STEPS TO MAKE TECHNOLOGY SOLUTIONS WORK

Recent experience with the deployment of technology demonstrates that it can have a positive impact on healthcare administration and enrollment. To ensure that technology innovation is harnessed in ways that benefit public programs—specifically Medicaid and SCHIP—both federal and state action is required.

Needed Federal Leadership

1. Maximize the impact of existing federal technology initiatives. Two federal efforts, the Medicaid Information Technology Architecture (MITA) and Federal Transition Framework (FTF) initiatives, are developing frameworks to guide government technology investments to ensure that they are cost-effective and support responsive, top-quality service delivery.

To ensure that these important federal initiatives have the most positive impact, they should be structured to allow states adequate flexibility to build systems that fit their needs and that maximize the use of their existing assets; the scope of their work should include the technology governing Medicaid and SCHIP eligibility and enrollment systems; and they should provide agencies with tools that help overcome any fear of the unknown and make the available options clear and workable.

2. Enact federal changes that incentivize and support effective technology solutions in states and localities. Efficient, successful technology solutions require that:

- States can receive an enhanced federal match for expenditures to develop and operate technology that improves eligibility systems such as they currently receive to develop and operate data retrieval and billing systems.
- Explicit authority and guidelines are provided for information-sharing that is necessary to accomplish genuine streamlining and coordination, where it doesn't already exist, with appropriate privacy and confidentiality protections.
- Medicaid and SCHIP can use other programs' income findings in determining eligibility, despite differences in the program rules, where the other program provides means-tested coverage.

- States can use data-matching procedures to satisfy the current documentation requirements (citizenship and immigration status) imposed at the federal level where doing so is more efficient and reliable than other options. New technology could provide agencies with alternate means for verifying immigration and citizenship status, if only the documentation requirements did not stand in the way.

Needed State Leadership

1. **Engage a coalition of stakeholders in the process.** A coalition of stakeholders will be critical to the efforts required for comprehensive infrastructure change that cuts across agency lines.
2. **Put aside the business-as-usual approach.** States should take on the challenges set by the relevant federal initiatives (MITA and FTF), learn from them, and examine verified best practices and industry-recognized methodologies to determine what solutions will best meet their needs.
3. **Let policy goals guide technology choices.** A forward-thinking approach will be more efficient, effective, and coordinated than a piecemeal set of changes that are driven by a focus on available technology rather than on how technology can meet policy objectives.
4. **Make the most of current streamlining and simplification options.** States currently have the authority to implement a number of simpler, more streamlined enrollment procedures that can maximize the positive impact enrollment technology can have.
5. **Make a strong case for technology investment.** Since the technology exists and continues to improve, the missing piece is the leadership to use it to address the Medicaid and SCHIP enrollment challenges. Advocates for children can help by making a strong case for investing in children's health coverage and the technology that is used to administer public coverage, including enrollment systems.
6. **Look for opportunities in other evolving technology arenas.** In the interests of cost-effectiveness, Medicaid and SCHIP enrollment technology improvements should be incorporated into, or at least coordinated with, related technology overhauls.
7. **Build strong, reliable funding from all sectors.** Federal and state funding for Medicaid and SCHIP must support IT innovation that improves all aspects of administration—including enrollment. In addition, the private sector and foundations should be utilized as a resource.

Conclusion

Today, technology exists to make Medicaid and SCHIP work as they should—to provide essential health care to all uninsured children who are eligible for the program and to ensure that they remain in the programs once enrolled. Doing so will not only make the programs more accessible and responsive to family needs but will also make them more accountable to the public. However, putting the new tools to work will require a strong commitment from federal and state leaders, along with philanthropic and corporate partners, to make the necessary investments and to work collaboratively. In the end, families, taxpayers, and government will all reap the benefits.

INTRODUCTION

In the United States, public health insurance programs serve as a primary avenue through which America's children receive health insurance coverage. Twenty-seven percent of all children are enrolled in Medicaid and the State Children's Health Insurance Program (SCHIP).¹ As a result, over 30 million children have access to regular ongoing preventive care that they might not otherwise have.²

Medicaid and SCHIP are instrumental in providing health coverage to children in low-income families. However, the programs have not met their full potential. First, not all uninsured children who are eligible for the programs are enrolled. Nearly 9 million children in the United States are uninsured, despite the fact that nearly three-quarters are eligible for Medicaid and SCHIP.³ Second, children once enrolled oftentimes lose their coverage and become uninsured, even though they remain eligible, diminishing the quality of care they receive and creating unnecessary and duplicative administrative expense. California spent more than \$120 million over three years to re-process eligible children dropped from the state's Medicaid program because of untimely or incomplete paperwork at renewal.⁴

The primary reasons why children do not enroll and/or lose coverage are misinformation, difficult enrollment and renewal procedural requirements, and inefficient administrative practices.⁵ Previous research has examined how to address these problems through the implementation of policy changes to simplify the Medicaid and SCHIP eligibility and enrollment procedures.⁶ This report takes a new look at the issue, by exploring how technology innovations occurring today in health and other industries can be applied to remove these impediments from Medicaid and SCHIP enrollment and renewal practices and, at the same time, make the programs more efficient.

This report is written for policy-makers at the national and state levels, child and health advocates, and foundations and corporations interested in investing in this area. The report:

- Analyzes the value of applying technology solutions to Medicaid and SCHIP enrollment and retention problems;
- Reviews the Medicaid and SCHIP enrollment and retention policy goals that can be advanced through the use of technology;
- Scans available technology solutions that can help reach those policy goals; and
- Lays out state and federal steps to put these smart technological innovations in place in Medicaid and SCHIP.

This report provides a snapshot in time and a starting point for understanding how technology solutions can be applied to the urgent needs of children. While the focus of the report is on improving Medicaid and SCHIP enrollment and retention, many of the policy goals and technology solutions could at the same time enhance integration with other health programs, such as those for children with disabilities, or improve other administrative functions, such as reporting. We hope this report provides the critical background and analysis to further the discussion on applying technology to improve the health and well-being of children and families and details the actions required to move the agenda forward effectively.

BENEFITS FOR CHILDREN'S HEALTH AND CHALLENGES

The United States is undergoing an information technology revolution, with some of the most promising activities taking place in the health care system. For instance, health care is rapidly transforming through the implementation and use of electronic health records (EHRs), telemedicine, and new medical technologies, all of which provide opportunities for improving access to and quality of care as well as increasing the effectiveness of the funds spent on health.

These advances have not been widely deployed to improve the administration of public health insurance programs that serve millions of low-income children, though there are many benefits to doing so. As this e-health snapshot will demonstrate, technology can be deployed to overcome the main barriers to enrollment and retention while at the same time strengthening the integrity of the programs.

Technology can make it significantly easier for families to learn about, apply for, enroll in, and retain health insurance coverage. Research shows that a complex and burdensome enrollment process is the main reason that eligible children remain uninsured.⁷ This problem is uniquely receptive to technology solutions. Electronic applications and automation can replace paper and manual processes, making it easier for families to access and complete applications, while the collection of data into a centralized system can streamline how families submit information and reduce the number of times they have to do so. Technology can also help improve coordination between separate Medicaid and SCHIP programs to make the programs more family-friendly. Someday, obtaining public services could be as user-friendly as finding and buying a book on Amazon.com or paying bills online.

Technology can generate substantial cost-savings, thus freeing up funds to provide better services to more children. States have realized great returns on their investments in technology that increase administrative efficiency and streamline government functions. Some examples are:

- Florida saves \$83 million annually in administrative costs through the use of its online application system “ACCESS Florida” for Food Stamps, Medicaid, and Temporary Assistance to Needy Families (TANF) benefits.⁸
- Arizona created a “Secure Gateway” Web portal that is used by 22 agencies and, since October 2003, has avoided \$3.85 million in costs that would have been spent on separate systems for each agency.⁹
- New York’s child support agency saved \$4.5 million in administrative and enforcement costs since it began receiving funds electronically from employers that withhold wages for child support payments.¹⁰
- The Public Assistance Reporting Information System (PARIS), which was implemented to allow for interstate exchange of data to facilitate meeting the requirements imposed by welfare reform, demonstrated \$16 million savings of future improper payments in four states and Washington, D.C. during the first year of operation.¹¹

- An independent analysis for the state of Vermont estimated the potential annual savings to be realized with the successful implementation of an enterprise managed framework (that is, one designed to serve its technology needs statewide) is \$20-\$30 million. The analysis found that such an investment provided “the single greatest opportunity” for savings and improved business processes and service.¹²

Technology can improve data collection and quality control and, in a world of limited resources, ensure that services reach those in need. Technology has the ability to provide automated data-matching against other databases and to perform necessary eligibility calculations, thereby increasing the reliability of the enrollment process and improving quality control. In addition, technology can speed up the submission of an application and database checks can fill in any missing details or update data for a renewal. During its pilot period, California’s Health-e-App online Medicaid and SCHIP application decreased by more than half the number of individuals who had invalid or incomplete data when compared with those who applied through a paper application.¹³

Challenges

While its benefits can be impressive, technology is not a silver bullet. Instead, it is a tool for increasing the efficiency of the programs for both families and agencies. But, like any tool, it must be implemented correctly. Critical challenges include:

- High Up-Front Investment. The greatest impediment to expanded use of technological innovations in healthcare enrollment is funding, since technology advances can require substantial up-front investment. As such, states may be hesitant to undertake system changes and instead rely on interim solutions that are cheaper but ultimately lead to a patchwork system that is not interconnected or easily built upon. The initial high price tag must instead be viewed within the context of the longer-term payoff in cost-savings, added efficiency, and better service provision. In addition, some states have looked to foundations and private sector funding to pay for these costs.
- Cultural Change. Technological advances require people to fundamentally change the way they do their work. This is particularly true in the public sector where agencies continue to function primarily in a paper culture that can be resistant to change. Oftentimes the hardest obstacle to implementing technology is making the cultural shift with staff. In addition, though technology can reduce complexity and help overcome barriers between agencies, it can be difficult to align new technology with current business processes and get government divisions and agencies to work collaboratively toward a set of common goals. As Dick Burk, the chief architect of the Federal Enterprise Architecture Program Initiative, stated in an interview for this report: “The problems that agencies face these days are less technology problems than human, organizational problems. Thus, agencies and personnel need to come together around a common framework and a language, and determine how best to meet a customer’s needs while maintaining the integrity of the delivery system.”

- Policy Impediments. There are a number of policy impediments that hinder coordination, streamlining, and simplification of public programs like Medicaid and SCHIP.¹⁴ Federal law imposes different rules and methodologies for each program to determine eligibility or renew coverage, thus ensuring that enrollment in federal means-tested programs is not easily coordinated. Traditionally, program rules have focused more on keeping children and families out of coverage than on helping them access services. And, investment in technology and information-sharing has been directed toward removing ineligibles, rather than on making the enrollment process function more effectively. The end result is a patchwork of uncoordinated, inefficient procedures, and disconnected supporting technology rather than a coordinated, effective system that serves its clients best. These impediments can be addressed, however, by implementing policy changes and using technology to better align or ease some of the program differences.
- Limitations in Technical Expertise. Public officials and staff usually are not familiar with new technologies and must trust and work with outside vendors. This can limit staff willingness to make dramatic changes, especially given the high cost implications. Even where there are available open source or off-the-shelf applications that can address a particular technology problem, they require labor and innovation to fit these government technology environments—often a long process. In addition, staff may not understand what information-sharing is allowed. To address these concerns, states would be well served to take a step back and look at their technology needs with a vision that extends beyond individual departments and business units (that is, looking enterprise-wide) to ensure the best value from their investments. They will also benefit from building in time to educate staff.

POLICY GOALS AND PROMISING TECHNOLOGY

Technology choices should never be made just to follow a trend. Technology is only a solution if it is in direct service of a policy goal. The following is a list of five Medicaid and SCHIP enrollment policy goals that could improve systems and services for children along with promising technology fixes that have been successfully applied to achieve the stated policy goals. The examples come from a wide variety of settings, including publicly financed health programs and other public benefit programs as well as private sector efforts, in order to give policy-makers and administrators new ideas for tackling the problems that have seemed—but, are not—insurmountable in the Medicaid and SCHIP enrollment systems.

1. Reach Uninsured and Eligible Children Where They Are

Gone are the days when it seemed best to require families to come into a welfare office to complete a cumbersome application or renewal process for health coverage. Rather, it has become standard practice to allow families to apply for and renew Medicaid and SCHIP through the mail or, more recently, to apply via the Internet. And yet, the process is still not family-friendly, exemplified by the numbers of eligible children who remain uninsured and by the numbers who lose coverage despite remaining eligible.

States can reach uninsured children and keep them covered more effectively by using available technology to educate families about the value of health coverage, increase and routinize families' access to enrollment and renewal opportunities, and simplify the enrollment and renewal processes.

Promising Practices

Governments are using the Web to reach and educate families about their options. The Web can provide an inexpensive, effective outreach tool for Medicaid and SCHIP. Most, if not all, states, cities, and agencies have already created Web portals that help citizens learn about programs, services, laws, and other matters. At the federal level, USA.gov (formerly FirstGov.gov) offers similar links to information. Such Web portals could be developed even further. As has become common at commercial sites, pop-up windows could provide site users with a prompt about health insurance, direct them to an electronic application, and urge them to apply right then and there. Ideally, such pop-ups could be presented on commercial sites as well, to direct families to the government sites. www.usa.gov

Families are applying and renewing coverage online, at home. Online enrollment tools remove many of the burdens of applying and open possibilities for a one-stop health enrollment process, especially when they can be accessed at home. **Pennsylvania's** online screening and application tool, COMPASS (Commonwealth of Pennsylvania Application for Social Services), allows families to apply for and renew coverage for multiple programs in multiple languages at any time of day, from home or at a social service agency. About 85 percent of the 150,000 applications received through the online system were placed from private homes in its first four years of operation. The system is dynamic and intelligent, asking only the questions that are relevant to the applicant based on the programs selected, and it allows recipients to confirm information already in the eligibility system at renewal, rather than requiring reentry of information.¹⁵ www.compass.state.pa.us

Families are submitting health program applications simultaneously with other program applications. Linking Medicaid and SCHIP with other public programs can help reach low-income uninsured children, more than 70% of whom are enrolled in school lunch, WIC, and/or food stamps.¹⁶ In **California**, schools can provide families with an opportunity to use a minimally modified school lunch application to initiate “express lane” eligibility into its Medicaid program. A simple form is sent to families to collect the remaining information needed to complete the application. Some schools have streamlined this process even further by submitting and processing these applications electronically. This unique use of available technology helps reach the 56% of uninsured children in the state who participate in school lunch.¹⁷ **www.expresslaneinfo.org/ele/ca**

Health providers are being engaged to help families apply. Provider-assisted enrollment tools help make sure that families complete the application process successfully. **Massachusetts** has created a “virtual gateway” that allows hospitals and community health centers to help people apply for health coverage online. It allows these Medicaid providers to screen and refer applicants to other programs and submit a common intake application with the necessary data elements for eighteen programs (including MassHealth, the state Medicaid program) though families are only asked the information that is necessary for the program(s) they want. Providers are highly motivated to complete this process because their payment from Medicaid becomes more certain. **gateway.hhs.state.ma.us/portal/dt**

2. Automate Application and Renewal Processing

Traditionally, public program enrollment and administration functioned with paper files and the manual transfer of paper documents. But as states explore the benefits of new technology, they are increasingly making use of the data that they already have at their disposal through electronic channels. As the manual processes become automated, the systems become easier for everyone to use, more efficient, and more effective.

Promising Practices

Agencies are replacing many paper processes with electronic ones. For example, by using electronic signature technology, agencies eliminate a significant barrier to a one-stop enrollment process and increase the number of children completing the application process. **Pennsylvania’s** electronic application (COMPASS) allows an applicant to e-sign by submitting an electronic marker (identifying information and an e-mail address) in place of a signature, among other features. The COMPASS applicant is then e-mailed a password, which he or she can use to verify identity. While this is a common process for credit card applications, it is not widely used for public program applications. E-sign is easier than having people use an electronic signature pad, which most families do not own. It is easier than having them print out the application, sign, and send it through the mail—the process used when COMPASS was launched—and has resulted in fewer incomplete applications. The e-sign process has received federal approval for use by the Medicaid and SCHIP programs as well as for nutrition programs such as food stamps.¹⁸ **www.compass.state.pa.us**

States are creating Master Client Indexes (MCI) to manage eligibility information. MCIs can greatly reduce the administrative burden of Medicaid and SCHIP eligibility determinations. **Pennsylvania** has further simplified its electronic application system by integrating COMPASS with a Master Client Index (MCI) system, which allows eligibility workers to easily determine whether a client is already in the system and receives or previously has received benefits. The MCI maintains consistent client information across benefit programs and a historical record that can be called upon at application or renewal (eliminating the need to obtain stable information, such as citizenship documentation, more than once).¹⁹ When an application is submitted, relevant MCI and COMPASS data are imported into the client information system, an automated benefit and eligibility calculation system, for processing. www.compass.state.pa.us

States are using relevant, incoming eligibility information to automatically update health-care files and renew eligibility. Automatic renewal can ensure that Medicaid- and SCHIP-eligible children retain coverage and can receive uninterrupted care. **Washington**, among a number of other states,²⁰ has programmed its welfare data system to automate the flow of new information provided for food stamp and TANF recertification into the Medicaid case files, to automatically update those files and provide the basis for an automatic renewal of Medicaid eligibility. In Washington, the renewal periods for these three programs are coordinated. When new information comes in, the Automated Client Eligibility System (ACES) updates the family's eligibility information in all relevant program files at the same time, calculates eligibility, and sets a new eligibility period without the need for any labor on the part of program staff.²¹

Agencies are automating enrollment when eligibility is certain. Providing automatic enrollment can ensure that children eligible for Medicaid or SCHIP do not fall through the cracks. Federal law²² requires that a baby born to a woman who is enrolled in Medicaid be deemed eligible for Medicaid and automatically enrolled. Many states have designed simple, effective processes for getting this done. **New York** has implemented a simple Internet application that can be used with a Web browser through which a registered provider (the hospital) files an electronic birth certificate for the newborn and supplies information about insurance. The information is automatically checked against the Welfare Management System when the mother has indicated that she is on Medicaid. When that inquiry finds a mother with an active Medicaid case, her newborn is automatically added to her case and given the same case number.²³ Unique to newborn enrollment is the fact that the supporting documentation (record of U. S. birth to a mother on Medicaid) itself becomes the application automatically.

States are developing default enrollment procedures, using information submitted to one public program to automatically enroll children in another program where the program rules allow. Technology-enabled default enrollment processes could ultimately provide a way to ensure all eligible but uninsured children receive coverage immediately. **Washington** operates a centralized state school database that processes direct certification for the school lunch program, since children enrolled in food stamps and cash assistance programs are categorically-eligible for school lunch programs as well. Recent federal rules encourage states to go further and use Medicaid data to enroll children in school lunch (called "direct verification").²⁴ As a result, Washington has now programmed its system to allow a secure server with firewalls to submit Medicaid information to the school data

base. Following a data match, those in Medicaid who are not already enrolled in school lunch are sent a letter that allows them to decline coverage or, failing that, those meeting the school lunch guidelines are automatically enrolled (default enrollment). A similar process could be used to enroll children in Medicaid and SCHIP, where program rules are aligned.²⁵

3. Coordinate Efforts Across Agencies and Optimize Use of Existing Systems

New technologies are rapidly increasing the feasibility and benefit of coordinating efforts across agencies, from sharing services to sharing data. Increasingly, exchange of data among government institutions is being recognized as a way to improve access to public programs, simplify entry, ensure continuity of services, and increase administrative efficiency. This is true for Medicaid and SCHIP as well as other public programs and services.

Generally, such coordination is hindered by a “stove piped” or “siloe” environment.²⁶ A family submits extensive information and documentation to apply for one program, but that information stays locked in the grips of one agency, or of one program within an agency, remaining unavailable to assist the family’s application for another program or remaining out of date in spite of newer information entering government hands. With available technology, this problem can be addressed.

Today, incompatible government legacy systems* with their unique administrative data sets are being linked through mechanisms that act as a broker between the systems. It is no longer necessary for agencies to resolve their incompatibilities or complete a major redesign in order to be functionally linked and able to work together. Nor is it necessary to take the prohibitively expensive step of starting over and building new and improved centralized systems. Instead, states can build in as much consistency as possible and then design interface tools to address the remaining inconsistencies.

Promising Practices

States are saving money by sharing assets across agencies. Where it is beneficial to share assets, doing so can free up resources to improve other technologies. **Michigan** saved \$97 million in 2004-2005 by consolidating technology operations from 19 executive branch agencies.²⁷ There are many functions that are common, for which agencies do not need specialized applications, such as e-mail, security, technical support, and data centers. This change has allowed for strategic bulk purchasing, negotiations with vendors to reduce costs, consolidation of contracts, and increased productivity.

Agencies are using Web-based data collection systems with rules engines to overcome the effect of silos. This use of technology can simplify access to immediate Medicaid and SCHIP coverage and improve the likelihood that a family will progress from temporary into on going coverage. In **California**, One-e-App offers a unique Web based approach to streamlining enrollment into and retention in a range of health coverage programs. One-e-App is a data collection and delivery system with a sophisticated screening, router,

* Legacy systems are typically database management systems running on mainframes—cumbersome, difficult to modify, and functioning only within one agency as a silo.

and rules engine. It allows providers and community-based organizations, county agencies, and school districts to collect the information that a family must provide to apply for health programs and submit it electronically, with eventual direct public access planned for the future. The system requests only necessary information, based on the client's answers as he or she completes the application. Then, the technology batches the information as appropriate and electronically submits it to the correct agency or agencies to allow the child or adult to apply online. Verification that the application was submitted to the appropriate agency is returned in real time. In the case of certain categories of applicants, the result of a submission is immediate presumptive eligibility, allowing the child or adult to obtain services from the provider immediately when they are applying at the provider's office. The system also handles renewal and change of circumstance applications. Essential to the success of One-e-App is its ability to deal with inconsistent, different and changing technology in each of California's counties and the state.

www.oneeapp.org

States are using enterprise service bus (ESB) or other middleware utilities to integrate applications and manage business services across otherwise incompatible systems.

Medicaid and SCHIP agencies should begin using state-of-the-art middleware, as well, to connect disparate, outdated information silos and make enrollment practices more consumer- and user-friendly. The enterprise service bus (ESB), also called a message broker, uses a messaging platform as a middleman between systems and applications, eliminating the need to laboriously map data fields and custom code applications for a point-to-point solution. An ESB messaging backbone transports data as messages between applications and platforms the way e-mails are sent between end-users, transforms the data to a format that both sending and receiving applications can use, ensures that services are delivered, and enforces security rules automatically. As ESBs have become more sophisticated over time, they have gone beyond enabling and orchestrating the interaction between disparate systems to also providing services (or functions performed by an application at an end-user's request). **Wisconsin**, among the early adopters of an ESB solution in 2003, has used it to reduce the complexity and overcome technical barriers between agencies despite the decentralized IT environment in which they operate. Wisconsin spent only \$300,000 on the ESB, rather than the millions expected for some other integration software.²⁸ The state is now in the more challenging phase of confronting the business and jurisdictional issues that are essential to solving the challenges of collaboration, across government (enterprise-wide).

States are enhancing the effectiveness of new technology by maintaining a system-wide vision.

Re-envisioning technology system-wide can address the challenge of collaboration among and between public programs up front and ensure that each technology improvement serves the business functions of the whole enterprise—not just those of a single agency. Some states have taken on the task of revising their technology pursuant to an enterprise architecture, going beyond the borders of a single state agency in an effort to remove inefficiencies and redundancies and create a resilient system that is ready for the tasks of future.²⁹ **North Carolina** took this path when faced with the substantial technology requirements imposed by welfare reform.³⁰ To address this problem, the state developed what it calls “conceptual architecture,” allowing for a single, common, and cohesive vision to direct the design, construction, purchase, deployment, and management of information systems and information technology across state government. **www.ncsta.gov**

4. Guarantee Privacy and Secure Information Exchange

Ensuring privacy and security protection is a necessary precursor to the information-sharing that is required for true simplification and streamlining of Medicaid and SCHIP enrollment. Privacy and security measures are of great concern in all technology sectors, thus leading to ever-evolving, ever-improving protections becoming available. Certainly, public entities must make the most of these developments. In fact, while it is challenging to protect the security of electronic records, it is practically impossible to protect the security of paper records. Electronic records, which can be encrypted and password-protected, are more secure than paper records, less likely to be lost, misfiled, or damaged, and are capable of being backed up.³¹ Families must be assured that information provided to the government will only be exchanged with their consent and that, when shared, will be protected from misuse during the transfer.

Promising Practices

Agencies are taking measures to protect privacy. Most privacy protections are not implemented as part of the technology advance, but rather as a further step that allows the technology to be used in a particular instance. Numerous privacy protections are placed on the sharing of information between government agencies and on the sharing of personal health information.³² In a widespread Medicaid outreach example, right on the school lunch application itself, families can consent to share the information in their application with the health agency. In that process, the privacy of applicants is protected through the following measures: the information-sharing cannot proceed without the applicant's consent (and consent can be provided through an opt-in or an opt-out procedure); a Memorandum of Understanding is established between the entities sharing the information which specifies that information will be provided to the Medicaid agency only for purposes of outreach and enrollment; and fines can be imposed on state employees who unlawfully share the information.

States are building-in security strategies as they design new technology. In addition to the standard secure messaging procedures, such as firewalls and encryption, some examples of security measures states are using include the following:

- **Managing access.** **Louisiana's** automatic Medicaid renewal process, using data in a client's food stamp and TANF file, only allows Medicaid caseworkers to request data from the other program files, while **New York's** automatic newborn enrollment process only allows registered health providers to input data. By managing access to the system, agencies are less likely to have their processes infiltrated by an unauthorized user for an unauthorized purpose.
- **Using pointers.** Since data privacy is easier to protect locally—that is, on the edges of the network where data are stored, rather than in a central location—data can continue to reside in its original location and be requested, retrieved, and routed by an index of pointers (symbols that contain the address of a location in memory) without ever being stored centrally or *en route*. This strategy is being used to enhance the security of electronic health records.³³

- **Building a tiered system.** Through network segmentation, states achieve greater security. For instance, **Georgia** uses two servers for an online Medicaid and SCHIP application that is submitted in real time. When data is entered into the online application, it goes to the first server. Every two minutes that data is uploaded to a second server that contains the eligibility database. Both servers are protected by firewalls and encryption. No income or account information is stored on the first server, since it is accessible through phone lines. Such data is instead stored on the second server, which is only accessible through the agency's internal network. Technology has evolved since Georgia's system was designed and it is no longer necessary to use multiple servers to achieve this same effect.

5. Enhance the Effectiveness and Ease of Verification

Increasingly, government records are being created and stored as electronic files.³⁴ Thus, the most accurate method of verifying those records would be through electronic means. Furthermore, as states improve the capacity of their underlying databases to communicate and work together, the quality and timeliness of the data used for verification through these databases will improve as well.³⁵ This means that eligibility determinations can be based on verifiable data, rather than estimates or other information volunteered by applicants. Electronic verification of Medicaid and SCHIP eligibility information will simplify enrollment and retention processes and make them more accurate.

Promising Practices

Eligibility workers are making one inquiry and obtaining information from many different sources. Data brokering systems replace a cumbersome manual process with a streamlined electronic one and ensure that Medicaid and SCHIP eligibility determinations use all available information, resulting in fewer incomplete applications and less follow-up. Data brokering systems, such as the unique **Utah** eFind, provide eligibility workers with filtered, organized information from many different federal, state, and local sources. With one simple search, eFind automatically searches 18 different sources of information (including databases and data warehouse files), identifies relevant information, and reconciles it to assist the eligibility worker in making an eligibility determination. The average search takes 5-15 seconds, so an eligibility process that previously took more than 15 minutes now takes less than 3 minutes for each case. With an initial cost of \$2 million to build the system, which was shared across agencies, an estimated \$2.1 million in staff time was saved in the first year.³⁶ eFind was built and is maintained in-house. It is constantly evolving and additional data sources are being added over time.

Agencies are linking directly to the underlying, primary record to get timely data. When technology connects a health agency to data that is more current than state databases, families no longer need to provide documentation—removing a major enrollment barrier. The state of **Washington** has contracted with a private payroll firm, TALX, to verify income for all means-tested programs, as called up by an applicant's social security number. Over half of the large employers, including large employers of many lower paying jobs as well as government employers, participate in TALX, making it a useful source for verifying income in a timely manner in Washington. TALX is also able to verify employer health insurance.

States are building in important error protections when using electronic records as a means of verification. Safeguards in data checking technology can ensure that families applying for health coverage benefit, and are not harmed, by enhanced electronic verification. Whenever electronic records are used as a central form of verification, several important steps must be taken to protect against potential errors including: applying “substantial match” protocols (intended to reduce match failures that result from minor data entry errors and inconsistencies), running data matches against multiple databases, using the most complete information possible to run the match and establishing straightforward mechanisms for challenging an adverse outcome. As an example, when states implemented the federal Help America Vote Act of 2002 (HAVA), which requires them to match electronic records to eliminate duplicate registrants and verify identity, **Minnesota** and **Wisconsin** did so in a manner that includes the important safeguards laid out above. Unfortunately, many other states failed to include any or all of these critical protections.³⁷ To implement HAVA, states often match voter information against motor vehicle or the Social Security Administration databases—a process that is similar to the data-matching that can take place in Medicaid and SCHIP verification. While this system is efficient and effective in scrubbing the voter rolls, its implementation experience demonstrates the need to impose protections whenever electronic data-matching becomes an important means of verification.

STEPS FEDERAL & STATE GOVERNMENTS CAN TAKE TO MAKE TECHNOLOGY SOLUTIONS WORK FOR MEDICAID AND SCHIP

Some of the promising practices identified in this report demonstrate that the opportunities provided by modern technology are already having some positive impact on healthcare administration and enrollment. However, there is no question that the innovation in the technology available to and used in the public sector is not keeping pace with that in the private sector. And, while there has been extensive information technology investment in certain public sector arenas, such as law enforcement,³⁸ this has generally not been as true for the systems governing public benefit programs such as Medicaid and SCHIP.

The federal government has an essential role to play in providing the resources, incentives, and leadership necessary for states to take on the burden of getting agencies to work together at a process and governance level and incorporate technology effectively within public programs. Two concrete federal initiatives provide an opportunity to make these changes happen: (1) SCHIP reauthorization, which should be drafted to include measures to improve the reach and effectiveness of SCHIP programs, and (2) Medicaid transformation grants, which were enacted to engage states in innovative, efficiency-building efforts in their Medicaid programs. Below is a set of additional steps the federal government can take followed by suggestions for how a state can proceed, recognizing that states shoulder the greatest responsibility in bringing about these technology-enabled reforms and that the private sector has an important role to play as well.

Needed Federal Leadership

1. Maximize the impact of existing federal technology initiatives. Two federal efforts could support and drive many of the technology solutions discussed in this report. They are:

Medicaid Information Technology Architecture (MITA) Initiative. MITA is a ten-year effort at the Centers for Medicare and Medicaid Services (CMS) that will provide states with a framework for improving business practices, ultimately including enrollment processes. The effort is intended to provide models and standards, with recommended solutions, to ensure that states make the most of their investment in Medicaid-related technology. MITA proposes addressing cross-program functions using middleware, particularly an enterprise service bus (ESB), which will allow states to continue using their existing legacy systems without a major redesign and requires minimal technological compatibility across programs. Ultimately, the principles and standards developed by MITA will be used as key criteria for CMS in its review and approval of federal financial participation for Medicaid Management Information Systems (MMIS) in the future. (www.cms.hhs.gov/MedicaidInfoTechArch/)

The Federal Transition Framework (FTF) Initiative. Similarly, Congress has directed the Office of Management and Budget (OMB) to develop a framework governing federal agencies' adoption of technology across agencies: the FTF. Like MITA, federal funding will eventually be tied to meeting the performance expectations captured in the FTF. The organizing framework is being designed to improve the effectiveness and efficiency of federal IT investments by ensuring the capacity for cross-agency information-sharing. As federal agencies make these changes, there will be new expectations imposed at the state level as well. (<http://www.whitehouse.gov/omb/egov/a-2-EAFTF.html>)

However, to ensure that these important federal initiatives have the most positive impact, the following must be true: these initiatives should allow states adequate flexibility to build systems that fit their needs and that maximize the use of their existing assets; the scope of their work should include the technology governing Medicaid and SCHIP eligibility and enrollment systems; and they should provide agencies with tools that help overcome employees' possible fear of the unknown and make the available options clear and workable.

2. Enact federal changes that incentivize and support effective technology solutions in states and localities. While there is much discussion at the federal level about the need for technology solutions, federal rules actually engender numerous impediments to effective, coordinated change. Efficient, successful technology solutions require that:

- Federal law should be revised to allow states to receive an enhanced federal match of 90% for expenditures to develop technology that improves eligibility systems and 75% to operate it, which is the match that they now receive for investments to develop and operate data retrieval and billing systems.³⁹ Currently, development and operation of eligibility systems receives the standard Medicaid 50% matching rate given for all administrative costs. Furthermore, additional federal funding streams should be created that encourage investment in public sector technology that improves efficiency and service delivery beyond the Medicaid Transformation Grants, which can be used for this purpose but will be spread in many other directions as well.
- Federal law should provide explicit authority and guidelines for information-sharing that is necessary to accomplish genuine streamlining and coordination, with appropriate privacy and confidentiality protections. Such authorization and guidelines exist between some programs, but not others.⁴⁰ Without explicit authority, states and agencies are reluctant to explore additional data-sharing that can lead to real streamlining, even where the technology exists to do so.
- Federal law should allow Medicaid and SCHIP programs to use other programs' income findings in determining eligibility—despite differences in the program rules—where the other program provides means-tested coverage.⁴¹ While Medicaid and SCHIP agencies are able to rely on another program agency's finding of a fact,⁴² such as residence, they are unable to rely on the other program's income finding and instead must usually collect a complete application in order to calculate income pursuant to health program rules. If they were allowed to use another program's income finding, Medicaid and SCHIP agencies could build administratively simple processes to enroll and retain low-income children who participate in other public programs, where they meet other eligibility rules.
- Federal agencies should authorize the use of data-matching procedures for satisfying the current documentation requirements (citizenship and immigration status) imposed at the federal level where doing so is more efficient and reliable than other options. Immigration documentation requirements have long posed a barrier to streamlining the application and renewal process.⁴³ More recently, the citizenship documentation requirement of the Deficit Reduction Act is causing large numbers of low-income children (most of whom are citizens) to lose coverage in addition to imposing great administrative expense.⁴⁴ And yet, new technology could provide agencies with alternate means for verifying immigration and citizenship status, if only the documentation requirements did not stand in the way.

Needed State Leadership

1. **Engage a coalition of stakeholders in the process.** Assembling a coalition of stakeholders will be critical to the efforts required for comprehensive infrastructure change that cuts across agency lines. Human organizational problems tend to pose a larger stumbling block to change than new technology does. Thus, key stakeholders (including providers), advocates, IT specialists, and private sector innovators must be involved early, helping set the policy goals and determining the terms of information-sharing and responsibilities.

2. **Put aside the business-as-usual approach.** States should take on the challenge set by the relevant federal initiatives (MITA and FTF), learn from them, and examine verified best practices and industry-recognized methodologies to determine what solutions will best meet their needs. It is up to states to take the next step, to think outside the box and develop new frameworks and architectures that set a bold course for their IT futures. In particular, this will require that states envision, fund, and work for change across agencies. States will also benefit from partnering with the private sector, since vendors and foundations can offer critical technical and financial assistance.

3. **Let policy goals guide technology choices.** A forward-thinking approach will be more efficient, effective, and coordinated than a piecemeal set of changes that are driven by available technology. Before making any decisions about technology, the functions, workflow, and business requirements of agencies ought to be laid out, and the coalition drawing up the plans should have a clear understanding of the problems to be addressed through technology.

4. **Make the most of current streamlining and simplification options.** States currently have the authority to implement a number of streamlined, simpler enrollment procedures that are desirable in and of themselves and which can maximize the positive impact enrollment technology can have. Current options include the ability to use a shortened application, allow self-certification of income, deductions, and other information, implement presumptive eligibility, and limit or eliminate cumbersome eligibility requirements like asset reporting.⁴⁵ In addition, states can already authorize and implement *ex parte* procedures and use income-disregards, among other tools, to try to better align eligibility rules across programs. Unfortunately, no state has taken all these steps or applied them to their fullest potential.

5. **Make a strong case for this investment.** Since the technology exists and continues to improve, the missing piece is the leadership to use it to address the Medicaid and SCHIP enrollment challenges. Thus, advocates for children can help by making a strong case for investing in children's health coverage and the technology that administers public coverage, including enrollment systems. This case must stress the cost-effectiveness both of the coverage and of the investment in technology at this pivotal moment, with its ability to improve efficiency, reduce errors, and lower the administrative burden of the program to government and to families. It must refer to the less easily quantified benefits of the investment, including increased effectiveness of the program, as well as the underlying benefits of the program itself.⁴⁶ When a policy becomes a priority the technology follows, as we saw in the case of welfare reform, which required a \$1 billion investment to meet new information and reporting requirements imposed by Congress.⁴⁷

6. Look for opportunities in other evolving technology arenas. In the interests of cost-effectiveness, Medicaid and SCHIP enrollment technology improvements should be incorporated into, or at least coordinated with, related technology overhauls.

7. Build strong, reliable funding from all sectors. As mentioned above, federal and state funding for Medicaid and SCHIP must support IT innovation that improves all aspects of administration, including enrollment. But, this modernization will also require funding from the private sector. Just as the private sector has helped push the available technology forward by leaps and bounds, so the private sector can help ensure that public systems can apply these solutions. In particular, foundations and corporations have always provided and can continue to provide critical leadership and funding for states to take private sector innovation into the public realm.

Stakeholders Can Move These Solutions from Concept to Deployment.

Looking outside of Medicaid and SCHIP, the non-profit Schools Interoperability Framework Association (SIFA) serves as a model of how IT change can happen. Schools have traditionally held data about student performance, services provided, and expenditures, along with other data, in computer systems that are disconnected within the school itself and cannot link with state systems. SIFA brought together education software companies, school district technology coordinators, and administrators. Their challenge was to draw up an industry-supported blueprint for solving the problem of data-sharing and interoperability in schools, school districts, and state education agencies. Their goal: design a non-proprietary system that can work with any applications and their data (legacy or otherwise) and can be deployed at any scale to improve functioning, increase administrative efficiency, and produce cost-savings.

After extensive collaboration, the SIFA team created the Schools Interoperability Framework (SIF), which established a set of standards for data formatting and exchange to allow for data-sharing regardless of what technology platform is used. Private vendors that had been involved in SIFA then developed zone integration software and a middleware utility (the SIF agent) to fit the Framework. And, SIFA began promoting the use of the Framework and its deployment in schools. Following its demonstrated success, the Framework was recommended in the Nutrition Reauthorization Act of 2004 as a solution for schools seeking to improve school nutrition program administration. **www.sifinfo.org**

CONCLUSION

A great deal has been learned about how technology can help states and localities achieve greater administrative efficiency and accountability and better outcomes for children. The examples in this report provide leaders for children with the vision and operational steps needed to map a smart technology solution for many of the problems which today limit Medicaid and SCHIP's ability to effectively reach uninsured children, enroll them in insurance, and keep them covered. As demonstrated by the real-world experiments to date, these technology solutions can have a variety of benefits beyond improving the enrollment process and increasing the integrity of the programs, including more effective business planning, better reporting, improved ability to track trends and respond to evolving program needs, better detection of provider fraud, and simpler billing.

How do we get a simple, streamlined enrollment and renewal process for Medicaid and SCHIP? States no longer have to redesign the central legacy computer systems governing the health programs and create platform-specific applications to achieve interoperability and perform the desired functions. Instead, states can now take a much less expensive and more flexible course: use a combination of the Web, software, and middleware tools to address the issues of compatibility, data-sharing, and business functioning in a manner that is platform-independent and capable of remaining on the cutting edge. As this field matures, the solutions are becoming more adaptable and are often being developed in a nonproprietary manner, open for use by other agencies or jurisdictions, in turn driving down the cost of such technology.⁴⁸

Now is the time to step up the pace of our collective action. As Congressional leaders reauthorize the SCHIP program, they can convert these lessons into sound enabling policy for states. And states can more aggressively use the tools they have to automate elements of public programs and make them more accountable to the public. In addition, the private sector, including both private philanthropy and corporations, needs to be an integral partner in the evolution of government technology. Making these reforms happen will require that all of the major players replace the practices of the past with a forward-looking vision and work collaboratively across sectors to achieve optimal results. Children, their families, taxpayers, and government will all reap the benefits.

ENDNOTES

- ¹ Kaiser Family Foundation, Statehealthfacts.org, “Health Insurance Coverage of Children 0-18, U.S. (2005)”.
- ² *Health Coverage for Low-Income Children* (Washington, D.C.: Kaiser Commission on Medicaid and the Uninsured, Jan. 2007); Michael Seid, et al., “The Impact of Realized Access to Care on Health-Related Quality of Life: A Two-Year Prospective Cohort Study of Children in the California State Children’s Health Insurance Program,” *Journal of Pediatrics*, Vol. 149 (2006): 354-61.
- ³ Lisa Dubay, et al., “The Uninsured and the Affordability of Health Insurance Coverage,” *Health Affairs*, 26, 1 (2007): w22-w30.
- ⁴ Gerry Fairbrother, *How Much Does Churning in Medi-Cal Cost?* (Sacramento, CA: Cover California’s Kids, April 2005).
- ⁵ Michael Perry, et al., *Medicaid and Children: Overcoming Barriers to Enrollment, Findings from a National Survey* (Washington, D.C.: Kaiser Commission on Medicaid and the Uninsured, Jan. 2000); Genevieve Kenney and Jennifer Haley, *Why Aren’t More Children Enrolled in Medicaid or SCHIP?* (Washington, D.C.: Urban Institute, 2001); Lake, Snell, Perry and Associates, *How and Why Eligible Children Lose or Leave SCHIP/Healthy Families* (Washington, D.C.: Lake, Snell, Perry and Associates, June 2002).
- ⁶ See Dawn Horner and Beth Morrow, The Children’s Partnership, *Opening Doorways to Health Care for Children: 10 Steps to Ensure Eligible but Uninsured Children Get Health Insurance* (Washington, D.C.: Kaiser Commission on Medicaid and the Uninsured, May 2006).
- ⁷ op. cit. (5) Michael Perry, et al.
- ⁸ National Governors’ Association Center for Best Practices, *Issue Brief: Improving Access to Benefits for Low-Income Families* (Washington, D.C.: National Governors’ Association, August 2006) 3. See <http://www.dcf.state.fl.us/ess>. According to the Florida Department of Children and Families, the full value of the annual decrease in the administrative budget is seen as of July 2006, following two years of phase-in.
- ⁹ Governor’s Office of Efficiency Review, *Agency Efficiency Review Accomplishments* (Phoenix, AZ: Governor’s Office of Efficiency Review, August 2006) 45.
- ¹⁰ United States Government Accountability Office (GAO), *Child Support Enforcement: More Focus on Labor Costs and Administrative Cost Audits Could Help Reduce Federal Expenditures* (Washington, D.C.: GAO-06-491, July 2006) 4.
- ¹¹ GAO, *Public Assistance: PARIS Project Can Help States Reduce Improper Benefit Payments* (Washington, D.C.: GAO-01-935, September 2001) 3.
- ¹² Vermont Institute on Government Effectiveness, Inc., *Summary of Change Recommendations* (Montpelier, VT: Vermont Institute on Government Effectiveness, Inc., 8 September 2005) 2.
- ¹³ Bob Atlas, et al., *Business Case Analysis of Health-e-App* (Falls Church, VA: The Lewin Group, June 2001).
- ¹⁴ GAO, *Human Services Integration: Results of a GAO Cosponsored Conference on Modernizing Information Systems* (Washington, D.C.: GAO-02-121, January 2002) 27.
- ¹⁵ National Association of State Chief Information Officers, *Best Practices in the Use of Information Technology in State Government: Recognition Awards 2005* (National Association of State Chief Information Officers, 2005). Submission by the Commonwealth of Pennsylvania.
- ¹⁶ Stan Dorn and Genevieve Kenney, *Automatically Enrolling Eligible Children and Families Into Medicaid and SCHIP: Opportunities, Obstacles, and Options for Federal Policymakers* (New York, NY: The Commonwealth Fund, June 2006).
- ¹⁷ The Children’s Partnership, *Issue Brief: California’s Express Enrollment Program* (The California Endowment, July 2006), citing figures calculated by the Urban Institute.
- ¹⁸ op. cit. (8).
- ¹⁹ op. cit. (15).
- ²⁰ Liz Schott and Sharon Parrott, *How States Can Align Benefit Renewals Across Programs* (Washington, D.C.: Center on Budget and Policy Priorities, June 2005).
- ²¹ Liz Schott and Allison Logie, *State of Washington: Improving Food Stamp, Medicaid, and SCHIP Participation: Strategies and Challenges Final Report* (Princeton, N.J.: Mathematica Policy Research Inc., Feb 2002) xi.
- ²² 42 United States Code section 1396a(e)(4).
- ²³ www.health.state.ny.us/health_care/medicaid/program/update/2003/oct2003.htm#nb
- ²⁴ Child Nutrition and WIC Reauthorization Act of 2004 (P.L. 108-265).

- ²⁵ For further discussion of this concept, see Dorn and Kenney, op. cit. (16)
- ²⁶ National Association of State Chief Information Officers, *Call for Action: A Blueprint for Better Government: The Information Sharing Imperative* (Lexington, KY: National Association of State Chief Information Officers, May 2005).
- ²⁷ Steve Towns, “Shaking Off the Rust,” *Government Technology*, 8 March, 2005.
- ²⁸ Shane Peterson, “Easy Street,” *Government Technology*, 2 September, 2004.
- ²⁹ op. cit. (26).
- ³⁰ Administration for Children and Families, *Welfare Reform Information Technology: A Study of Issues in Implementing Information Systems for the Temporary Assistance for Needy Families (TANF) Program* (Washington, D.C.: U.S. Dept. of Health and Human Services, October 2000).
- ³¹ John Morrissey, *A Day in the Life of a Medical Record: Lifting the Veil on the Security of Today’s Paper-Based Environment* (Washington, D.C.: The National Alliance for Health Information Technology, 2006).
- ³² GAO, *Health Information Technology: Early Efforts Initiated but Comprehensive Privacy Approach Needed for National Strategy* (Washington, D.C.: GAO-07-238, January 2007) 41-43.
- ³³ Connecting for Health, *Achieving Electronic Connectivity in Healthcare* (New York, NY: Markle Foundation, July 2004) 31.
- ³⁴ Theresa Pardo, et al., *Opening Gateways: A Practical Guide for Designing Electronic Records Access Programs* (Albany, NY: Center for Technology in Government, January 2002).
- ³⁵ GAO, *Benefit and Loan Programs: Improved Data Sharing Could Enhance Program Integrity* (Washington, D.C.: GAO/HEHS-00-119, September 2000) 37.
- ³⁶ American Public Human Services Association, *Successful Food Stamp Innovations* (Washington, D.C.: American Public Human Services Association, June 2006) 17-18.
- ³⁷ Justin Levitt, et al., *Making the List: Database Matching and Verification Processes for Voter Registration* (New York, NY: Brennan Center for Justice at NYU School of Law, March 2006),
- ³⁸ NGA Center for Best Practices, *Information Technology Toolkit Best Practices – Full List* (Washington, D.C.: National Governor’s Association, May 2005).
- ³⁹ Current federal regulations [42 Code of Federal Regulations section 433.112(c)] exclude “eligibility determination systems” from technology granted an enhanced match under 42 United States Code section 1396b(a)(3).
- ⁴⁰ GAO, *The Challenge of Data Sharing: Results of a GAO-Sponsored Symposium on Benefit and Loan Programs* (Washington, D.C.: GAO-01-67, October 2000).
- ⁴¹ Bills currently before Congress that would authorize this process include S. 1213, The Children's Express Lane to Improve Health Coverage and Program Integrity Act, introduced by Senators Lugar (R-IN) and Bingaman (D-NM), as well as a number of SCHIP reauthorization bills. For further information see www.expresslaneinfo.org.
- ⁴² Centers for Medicare and Medicaid Services, *Continuing the Progress: Enrolling and Retaining Low-Income Families and Children in Health Coverage* (Washington, D.C.: Dept. of Health & Human Services, August 2001) 11, 16.
- ⁴³ The Children’s Partnership, *Putting Express Lane Eligibility Into Practice* (Menlo Park, CA: Kaiser Commission on Medicaid and the Uninsured, November 2000).
- ⁴⁴ Donna Cohen Ross, *New Medicaid Citizenship Documentation Requirement is Taking a Toll: States Report Enrollment is Down and Administrative Costs Are Up* (Washington, D.C.: Center on Budget and Policy Priorities, February 2007).
- ⁴⁵ National Academy for State Health Policy, *Public Access to Online Enrollment for Medicaid and SCHIP* (Oakland, CA: California Health Care Foundation, May 2003); Donna Cohen Ross and Laura Cox, Center on Budget and Policy Priorities, *Enrolling Children and Families in Health Coverage: The Promise of Doing More* (Washington, D.C.: Kaiser Commission on Medicaid and the Uninsured, June 2002).
- ⁴⁶ Anthony Cresswell, et al., *Advancing Return on Investment Analysis for Government IT: A Public Value Framework* (Albany, NY: Center for Technology in Government, September 2006).
- ⁴⁷ GAO, *Welfare Reform: Improving State Automated Systems Requires Coordinated Federal Effort* (Washington, D.C.: GAO/HEHS-00-48, April 2000) 21.
- ⁴⁸ Michael Goulde and Eric Brown, Forrester Consulting, *Open Source Software: A Primer for Health Care Leaders* (Oakland, CA: California HealthCare Foundation, March 2006).

e-health snapshot

Some relevant reports by The Children's Partnership on the topics of technology and children's health:

Opening Doorways to Health Care for Children: 10 Steps to Ensure Eligible but Uninsured Children Get Health Insurance

May 2006

California's Express Enrollment Program: Lessons from the Medi-Cal/School Lunch Pilot Program and Suggested Next Steps in Making Enrollment Gateways Efficient and Effective

July 2006

Helping Our Children Succeed: What's Broadband Got to Do With It?

March 2007

Measuring Digital Opportunity for America's Children: Where We Stand and Where We Go from Here

June 2005

For additional information and resources, go to our web sites at:

www.expresslaneinfo.org: This site explores opportunities to reach eligible but uninsured children through other public programs, enroll them in health coverage, and help them retain continuous coverage.

www.techpolicybank.org: This site provides further information on efforts being made to extend today's technology opportunities to benefit all children and families.

www.childrenspartnership.org: This site will provide information about The Children's Partnership's newest program, "Defining and Promoting an E-Health Agenda for Children," which aims to harness information and communications technology to improve the health of America's children and foster needed efficiencies throughout the health care system.

Additional copies of the report are available from:

The Children's Partnership
1351 3rd Street Promenade, Suite 206
Santa Monica, CA 90401
Phone 310.260.1220
FAX 310.260.1921

E-mail: frontdoor@childrenspartnership.org
Web site: www.childrenspartnership.org



THE KAISER COMMISSION ON
Medicaid and the Uninsured

