



## Express Lane Eligibility: Early State Experiences and Lessons for Health Reform



**A**lthough the Children’s Health Insurance Program Reauthorization Act (CHIPRA) and the Patient Protection and Affordable Care Act (Affordable Care Act) were passed more than a year apart and target different groups of people, they share a goal: making it easier for low-income people to get health coverage. CHIPRA contains several enrollment simplification and streamlining strategies that are aimed at reaching the estimated 4.7 million children who are currently uninsured

but eligible for Medicaid or CHIP.<sup>1</sup> The Affordable Care Act uses several measures to dramatically expand coverage to people with incomes up to four times the federal poverty level (\$88,200 for a family of four in 2010), including a new paradigm for enrollment and renewal processes in Medicaid and CHIP, as well as for determining eligibility for the premium credits that will help people buy coverage in health insurance exchanges.

CHIPRA enables states to simplify and streamline children’s enrollment in Medicaid and CHIP through “Express Lane Eligibility.” Express Lane Eligibility allows states to use income determinations from data that the state already has on file to automatically deem low-income children in those programs eligible for Medicaid or CHIP. Although the Affordable Care Act does not permit states to go quite this far when it comes to enrolling individuals in coverage in 2014 (the year the coverage expansions will take effect), there are common elements in Express Lane Eligibility and the new enrollment policies envisioned in the Affordable Care Act.

As of October 2010, four states have been granted approval by the Centers for Medicare and Medicaid Services (CMS) to use Express Lane Eligibility—Alabama, Iowa, Louisiana, and New Jersey.<sup>2</sup> This issue brief reviews these states’ early experiences with this new tool and explores how their experiences can be instructive as all states look ahead to improving enrollment and retention practices as a part of health reform implementation. For an overview of these states’ Express Lane programs, see the table below.

**Overview of Four States’ Express Lane Eligibility Programs**

State	Health Coverage Program	Express Lane Agency	Program(s) Used for Express Lane	Enrollment or Renewal?
Alabama <sup>a</sup>	Medicaid	Alabama Department of Human Resources	Supplemental Nutrition Assistance Program and Temporary Assistance for Needy Families	Renewal, enrollment beginning in 2011
Iowa	Medicaid	Iowa Department of Human Services	Supplemental Nutrition Assistance Program	Enrollment
Louisiana	Medicaid	Louisiana Department of Social Services	Supplemental Nutrition Assistance Program <sup>b</sup>	Enrollment
New Jersey	Medicaid and CHIP	New Jersey State Division of Taxation	State Tax Forms	Targeted/simplified enrollment
	Medicaid and CHIP <sup>c</sup>	Bureau of Child Nutrition Programs, New Jersey Department of Agriculture	National School Lunch Program	Enrollment

<sup>a</sup> Alabama will begin enrolling children in Medicaid using Express Lane Eligibility in 2011. In addition, the state plans to expand its program to include enrollment and renewal in CHIP, and to use findings from other Express Lane agencies.

<sup>b</sup> Louisiana plans to use additional programs in the future, such as the National School Lunch Program and the Child Care Assistance Program.

<sup>c</sup> In 2010, New Jersey began a pilot program in which nine school districts conduct Express Lane Eligibility using information available through National School Lunch Program applications.

## What Is Express Lane Eligibility?

The Express Lane Eligibility provision in CHIPRA allows states to “borrow” income findings from other public agencies to determine whether children are eligible for enrollment or renewal in Medicaid or CHIP, even if the other programs calculate income differently. The agencies that administer the programs that the state borrows income findings from are referred to as Express Lane agencies and can include, but are not limited to, the state’s school lunch program, the Supplemental Nutrition Assistance Program (SNAP, formerly called food stamps), Head Start, Temporary Assistance for Needy Families (TANF), and the state tax agency.

Express Lane Eligibility is intended to fast track enrollment in Medicaid and CHIP, but children cannot be ruled *ineligible* for Medicaid or CHIP based on an Express Lane Eligibility finding. A family whose child is not found eligible for Medicaid or CHIP through Express Lane Eligibility can still go through the traditional eligibility determination process. For more information on the federal requirements for Express Lane Eligibility, see Families USA’s Issue Brief, *Express Lane Eligibility: What Is It and How Does It Work?*, available online at <http://www.familiesusa.org/assets/pdfs/Express-Lane-Eligibility.pdf>.

## State Experiences with Express Lane Eligibility



### Alabama

Alabama is aggressively working to maximize and streamline enrollment in Medicaid and CHIP. On October 1, 2009, the state expanded CHIP eligibility from 200 to 300 percent of poverty (from \$36,620 to \$54,930 for a family of three in 2010). This expansion is estimated to have made an additional 14,000 children eligible for coverage.<sup>3</sup> The state also recently enacted a number of enrollment simplifications, including accepting online Medicaid and CHIP applications and allowing electronic signatures.<sup>4</sup> Alabama’s strong commitment to children’s health coverage led to CHIP Reauthorization Act performance bonuses of \$39.8 million for fiscal year 2009 and \$55 million for fiscal year 2010, the highest amounts awarded to any state for either year.<sup>5</sup>

In addition to these simplification efforts, Covering Alabama’s Kids & Families (a coalition of state health and human services agencies, provider groups, and consumer organizations that was originally funded by a Robert Wood Johnson Grant) spent the past several years working behind the scenes to develop a concept for an Express Lane Eligibility program. However, fears that it might be penalized for a high error rate prevented the state from moving forward with the project.<sup>6</sup> The CHIP Reauthorization Act removed this obstacle by excluding Express Lane Eligibility-based eligibility

determinations from states' Medicaid Eligibility Quality Control and Payment Error Rate Measurements reviews. The U.S. Department of Health and Human Services (HHS) will instead issue separate guidance on the procedures states should use to calculate error rates for Express Lane Eligibility determinations. With that barrier cleared, Alabama immediately moved forward with implementing its Express Lane Eligibility program.

### How Does Alabama's Express Lane Eligibility Program Work?

Alabama's multi-tiered approach for implementing its Express Lane Eligibility program began on October 1, 2009, and is scheduled to be fully phased in by the end of 2011. The program uses findings from the SNAP and TANF agencies and focuses on enrollment and retention in Medicaid (although the final phase may also be extended to CHIP). The state has submitted or will submit a separate state plan amendment to CMS for each of the following five phases:

- **Phase 1, Effective October 1, 2009:** State eligibility workers are allowed to renew eligibility for children in Medicaid based on findings from the SNAP or TANF programs.
- **Phase 2, effective April 1, 2010:** The state can use findings from SNAP or TANF to process initial Medicaid applications and referrals from the CHIP agency.
- **Phase 3, effective Fall 2010:** Medicaid will further streamline the review process through the use of a pre-populated renewal form.
- **Phase 4, effective 2011:** Medicaid will use findings from SNAP and TANF to automatically enroll new individuals.
- **Phase 5, effective 2011:** Express Lane Eligibility will be expanded to other programs and agencies.

### Why Use the SNAP and TANF Agencies?

Alabama's TANF and SNAP programs were logical choices to serve as Express Lane agencies. Income limits for the TANF program are much lower than they are for Medicaid eligibility, and in Alabama, the income limits for SNAP and Medicaid are the same for children. Nationally, research has shown that 96 percent of the children who are enrolled in SNAP but uninsured are actually eligible for Medicaid or CHIP.<sup>7</sup> Connecting these programs helps ensure that all children who are enrolled in SNAP or TANF also have the opportunity to enroll in Medicaid.

### Have Phases 1 and 2 Been Successful?

Within three months of the enactment of Phase 1, the state renewed eligibility for more than 3,600 children, and by the end of August 2010, the state had processed 28,927 children.<sup>8</sup> The state attributes this early success to the good collaborative

relationship between the Medicaid, TANF, and SNAP agencies. Each agency possessed a strong commitment to the Express Lane program, and they all worked together to smooth out every detail before implementation.

However, despite a thorough planning process, implementation has not been as simple as the agencies had hoped. Caseworkers, who have long worked with a complex determination system, faced a dramatic culture shift when adjusting to a simplified form: Although the form was easier for consumers to fill out, introducing caseworkers to a new way of doing things was still somewhat challenging. In addition, the new Express Lane Eligibility system initially failed to screen for and capture children whose Medicaid applications were linked to those of their parents, but that problem has been fixed.<sup>9</sup> Agency directors plan to continue training caseworkers and to work through the technological challenges.

## Next Steps

The implementation of Express Lane Eligibility in Alabama is proceeding as planned, and the state is working hard to implement the next phase, which will streamline the review process through the use of a pre-populated review form. In addition, advocates are focusing on laying the groundwork to prepare for the implementation of health reform and are beginning to think through the role that Express Lane Eligibility can play in simplifying enrollment for the millions of people who will become newly eligible for Medicaid in 2014.<sup>10</sup>



## Iowa

Iowa has made tremendous progress in expanding children's coverage over the last three years. The state enacted legislation in 2008 that expanded CHIP (called Health and Well Kids Iowa, or hawk-i) eligibility to 300 percent of poverty (\$54,930 for a family of three in 2010), began 12-month continuous eligibility, and developed processes to streamline and simplify Medicaid and hawk-i eligibility and enrollment.<sup>11</sup> On the heels of enactment of CHIPRA, the state passed additional legislation to take up all eight of the policies that the act recognizes as key to promoting enrollment and retention in Medicaid and CHIP, including Express Lane Eligibility. Implementing these policies, together with increases in children's Medicaid enrollment, earned Iowa a performance bonus of \$6.8 million for fiscal year 2010.<sup>12</sup>

## How Does Iowa's Express Lane Eligibility Program Work?

Iowa began using Express Lane Eligibility in its Medicaid program in July 2010. The state's Department of Human Services (DHS), which also administers SNAP, serves as the Express Lane agency.

If a family applies for SNAP and their child is also eligible for Medicaid, DHS sends the family a letter telling them their child can enroll in Medicaid. If the family returns the form and affirms that they would like to enroll their child in Medicaid, the state will enroll them. As long as the family has not gone through an unsuccessful citizenship documentation data match in the recent past (the state is able to determine this by checking its records), then the 90-day “reasonable opportunity period” of coverage goes into effect while the state attempts to conduct a data match with the Social Security Administration to verify that the child is a citizen. If the state has already attempted a data match in the recent past but has been unsuccessful, the family must provide documentation to prove the child’s citizenship before the child can be permanently enrolled.<sup>13</sup>

## Next Steps

Since the state only began using Express Lane in July of 2010, it is not yet known how well the program is working. However, because the same eligibility workers have traditionally handled enrollment in SNAP, TANF, and health coverage (Medicaid and hawk-i) all along, it is unlikely that many families that enroll in SNAP are not already made aware of their Medicaid eligibility.<sup>14</sup> Still, this process does simplify enrollment and reduce the paperwork burden on families, so it may be an effective way to reach some families that otherwise might not take the steps to enroll in Medicaid.



## Louisiana

Over the past several years, Louisiana has been an exemplary model for successful Medicaid and CHIP enrollment and retention practices. Since 2001, Louisiana has increasingly used paperless renewal methods such as *ex parte* renewal (using information that is already available to the state, such as SNAP eligibility, to automatically renew a child’s Medicaid or CHIP coverage), telephone renewal, and administrative renewal (sending the family a prepopulated form with the eligibility information the state already has on file for the child and renewing coverage unless the family responds with more current information). Today, the state renews enrollment for 94 percent of Medicaid and CHIP applicants without sending the family a renewal form.

In 2007, the state legislature passed a law directing the state to pursue Express Lane Eligibility as soon as federal law permitted.<sup>15</sup> This state legislation became a reality in January 2010, when Louisiana received CMS approval for its state plan amendment to use Express Lane Eligibility for Medicaid determinations.

Louisiana currently uses SNAP as its Express Lane agency, although the state may also eventually use findings from the National School Lunch Program (NSLP) or subsidized child care.<sup>16</sup> It is the only state that currently uses the CHIPRA automatic enrollment option to enroll children in Medicaid based entirely on Express Lane agency findings.<sup>17</sup> This means that, unlike the Express Lane Eligibility programs in Alabama, Iowa, and New Jersey, families in Louisiana are not required to fill out additional paperwork to enroll or renew coverage in the program.

### How Does Louisiana's Express Lane Eligibility Program Work?

Louisiana's Express Lane Eligibility program uses findings from the SNAP agency to automatically enroll children in Medicaid. Louisiana's Express Lane Eligibility program works as follows:

1. **Identify eligible children:** The Department of Social Services (DSS) electronically transfers a file with the names of all children receiving SNAP benefits to the Department of Health and Hospitals (DHH), the state's Medicaid agency. The state then conducts a data match to identify children who are receiving SNAP benefits who are eligible for, but not enrolled in, Medicaid. The state verifies citizenship by conducting data matches between potential enrollees and the Social Security Administration, as the CHIP Reauthorization Act allows.
2. **Notify the family:** The Department of Health and Hospitals then mails a notice and a Medicaid card to the identified family informing them that their children are eligible for health coverage.
3. **Family activates enrollment:** The child's enrollment is automatically activated the first time the card is used to obtain services.
4. **Medicaid is payer of last resort:** If the Department of Health and Hospitals contractor determines that the child has another form of health insurance, the eligibility file is updated to show that insurance as primary and Medicaid as the payer of last resort.

### Why Use SNAP and School Lunch Program Agencies?

Louisiana's goal in implementing Express Lane Eligibility was to find and enroll uninsured children who fall into the lower end of the Medicaid eligibility spectrum (those in families with incomes at less than 133 percent of poverty, or \$24,350 for a family of three in 2010). The state also wanted to use an Express Lane agency with reliable findings and with which they had an established relationship.<sup>18</sup>

The state chose to begin its Express Lane program by using findings from the SNAP agency. The SNAP agency uses the same mainframe computer system as the Medicaid and CHIP agency, which allows the agencies to easily pass information back and forth.

Louisiana plans to work with the school lunch program in the future to help find and enroll even more children. This will likely be an effective program with which to partner: Nationally, nearly three out of five low-income, uninsured children participate in the National School Lunch Program (NSLP).<sup>19</sup> What's more, according to recent research, 81 percent of children who receive free lunches through the program (those with incomes below 130 percent of poverty, or \$23,800 for a family of three in 2010), are likely eligible for Medicaid, and another 14 percent are likely eligible for CHIP.<sup>20</sup>

### Has the Program Been Successful?

In just a few short months, Louisiana has used SNAP findings to automatically enroll thousands of children in Medicaid. One of the key components of the state's early success is the longstanding relationship between the state's SNAP and Medicaid agencies: For more than a decade, the two agencies have used the same mainframe computer system (as mentioned earlier) and were able to easily transfer confidential files back and forth.

However, enrolling these applicants took a significant amount of staff time and effort. One of the biggest obstacles for the state at the outset was the volume of mismatched or duplicated enrollees that the Medicaid agency received from SNAP. For example, the Department of Social Services (DSS) and Department of Health and Hospitals (DHH) use different identification numbers for the same children, which makes it difficult for the state to resolve small discrepancies in applications, such as name spelling. Rather than risk enrolling the same child in the program twice, the agencies examine each "mismatched" enrollee manually.

In February 2010, the Department of Health and Hospitals automatically enrolled 10,484 children in Medicaid in just one night. As of April 30, 2010, 3,391 of these children had already obtained medical services. Although the duplication issue has not been entirely resolved, the state is actively working on ways to improve the matching process to minimize duplication and errors. For example, the state is experimenting with a tool that would allow staff to manually correct discrepancies and identify potential duplicates.<sup>21</sup>

### Next Steps

Eventually, the state hopes to set up a daily interface for its Express Lane Eligibility program so that children are instantly enrolled in Medicaid when they are approved for SNAP.<sup>22</sup> Plans are also in progress to use SNAP findings each month to auto-enroll children for an additional 12 months at renewal.





## New Jersey

When it comes to children's health care, New Jersey stands out as a clear national leader. Eligibility for New Jersey's public health insurance program, called NJ FamilyCare (which includes Medicaid), is one of the most expansive in the country, covering children in families with incomes up to 350 percent of poverty (\$64,085 for a family of three in 2010). Families with higher incomes can purchase low-cost, private health insurance through the NJ FamilyCare Advantage plan. However, even with these robust coverage options, an estimated 294,000 children remain uninsured in the state. More than three-quarters (224,000) of these children are eligible for Medicaid or CHIP but not enrolled.<sup>23</sup>

With the goal of ensuring that every New Jersey child had access to high-quality, affordable care, the state enacted a law calling for universal coverage of all children beginning in July 2009.<sup>24</sup> To help meet this mandate, the state developed an Express Lane Eligibility program to help find and enroll uninsured children in NJ FamilyCare.<sup>25</sup> This program uses a combined approach of targeted outreach based on findings from state tax returns and a streamlined application process.

### How Does New Jersey's Express Lane Eligibility Program Work?

New Jersey's Express Lane Eligibility program uses a checkbox on the state income tax form as an outreach tool for capturing families who are uninsured but eligible for NJ FamilyCare. The program works in three steps:

- 1. Identify uninsured children:** New Jersey's state income tax form asks parents for the names, Social Security numbers, birth dates, and insurance status of their dependents. The Division of Taxation then supplies the Department of Human Services (DHS) with the names and addresses of households that have identified uninsured dependents. This information is not used to start an application, but rather for outreach purposes.
- 2. Send out an Express Lane application:** DHS mails out a one-page, simplified NJ FamilyCare application in a bright yellow envelope marked "NJ FAMILYCARE EXPRESS LANE APPLICATION FOR HEALTH INSURANCE ENCLOSED" to all of the addresses that the tax agency supplies. The application does not include any questions about family income, but it does ask for the name, Social Security number, and citizenship status of the uninsured child, and whether that child has other insurance. The parents are also required to supply the Social Security number of the tax filer, and to provide a signature to authorize DHS to obtain income data from the tax agency. Parents are also requested to select a health plan when they fill out the form.

- 3. Determine eligibility:** Once the family submits the application, the health benefits coordinator performs weekly matches with the Division of Taxation to retrieve the family's income information. Eligibility for Medicaid and the CHIP portion of NJ FamilyCare is granted based on the adjusted gross income that was reported on the state income tax form. (Applicants who are self-employed must submit additional information to DHS before their eligibility is determined.) Determinations usually take place at the local welfare office, but for Express Lane Eligibility, the vendor that works with NJ FamilyCare screens and enrolls applicants. Families receive an eligibility outcome letter to let them know that they are eligible. If everything is complete, a child can be enrolled within three weeks after parents submit their application. However, depending on the family's income, some parents must pay premiums before their children can be enrolled (families with incomes that exceed 200 percent of poverty [\$36,620 for a family of three in 2010] are required to pay premiums).

If it appears that an applicant does not qualify for NJ FamilyCare based on the simplified application, he or she can submit the standard application.

### Why Use the State Tax Agency?

State income tax forms have the potential to be a highly effective tool for reaching out to families with uninsured children. One reason is that a relatively high proportion of low-income families file taxes: Nearly nine out of 10 uninsured children in the United States who are eligible for Medicaid or CHIP are in families that file federal income tax forms.<sup>26</sup> Even low-income families who are not legally obligated to file a federal tax return because their income falls below federal filing minimums often do so in order to receive the Earned Income Tax Credit.<sup>27</sup> In addition, 23 states, including New Jersey, supplement this federal tax credit with a refundable state income tax credit.<sup>28</sup> Reaching out to these low-income federal and state tax filers is likely to reach families with uninsured children. For example, one recent study estimated that more than half (55.9 percent) of the uninsured children who are eligible for Medicaid or CHIP live in families who are also eligible for the Earned Income Tax Credit.<sup>29</sup>

The CHIP Reauthorization Act makes it easier for states to determine if a child is eligible for the program based on a state tax form by explicitly permitting states to use either gross income or adjusted gross income (which is stated on the state tax form) to determine eligibility. Using tax data eliminates the need for a family to provide income documentation, which increases the likelihood that the state can fully take advantage of Express Lane Eligibility by automatically enrolling children in coverage if they appear income-eligible.

## Has the Program Been Successful?

While the initial number of families who were identified as uninsured on the tax form looked promising, the actual number of children who enrolled in FamilyCare as a result of the state's early efforts was somewhat discouraging. Based on the checkbox on the 2008 tax form, the Division of Taxation originally identified more than 450,000 children (in 290,000 households) whose parents indicated that their children did not have health insurance. The Department of Human Services mailed NJ FamilyCare Express Lane applications to each of these households, but it received only 16,504 completed applications, a meager 5.7 percent response rate among all households that indicated their children did not have health insurance. Of those, only 3,834 children were enrolled in FamilyCare.<sup>30</sup>

Using tax forms to identify potentially uninsured children could prove to be an important way to reach eligible uninsured children, but New Jersey's program did not deliver promising results in its first year. It was immediately apparent to the state that the conclusion that 450,000 children were uninsured based on the 2008 tax form was a gross overstatement, since data suggest that there are only around 294,000 uninsured children in the state.<sup>31</sup> It was determined that the question about dependent coverage was not written clearly, which created confusion about what sort of insurance coverage "counted." Of the 16,504 applications submitted, 3,700 of the applicants were already enrolled in NJ FamilyCare. The 2009 tax return clarified that being uninsured meant that the child did not have private insurance, NJ FamilyCare, or Medicaid.

State officials also learned that some electronic tax programs defaulted to check the box if the question was not answered. The state worked with the Division of Taxation to make changes to its 2009 state income tax forms in order to avoid similar problems. At that time, the state also had to take into account that electronic tax programs pre-populated information from the applicant's previous tax return. In order to prevent the answer to the health insurance question from pre-populating from a person's 2008 tax returns, the question on the 2009 tax returns was phrased differently and required the applicant to affirm that the child did not have private insurance, NJ FamilyCare, or Medicaid.<sup>32</sup> Despite these clarifications, the 2009 tax return effort yielded few newly enrolled children. Of the 52,232 applications that were mailed out to families who identified themselves as having uninsured children, only 2,243 forms were returned, and a meager 135 children have been enrolled.<sup>33</sup>

New Jersey is already exploring new ideas for better targeting eligible but uninsured children using tax forms, and program administrators concede that using direct mail may not be the best way to find such children. One new approach may be to enroll children who are likely eligible into NJ FamilyCare for a temporary eligibility

period, then require the health plan that the family selects to collect any necessary paperwork for the final eligibility determination (including evidence of citizenship or satisfactory immigration status). However, given that New Jersey has a relatively low uninsured rate for children (10 percent), most of the uninsured children who are the easiest to identify and enroll have already been found.<sup>34</sup> There are no magic bullets for reaching the remaining eligible but uninsured children in the state. Therefore, it will be necessary for New Jersey to use a diverse range of outreach methods, including but not limited to tax forms. To this end, the state has also recently embarked on a pilot project to use Express Lane Eligibility in schools.

### Next Steps: Pilot Project—Partnering with the School Lunch Program

In addition to the state's Express Lane effort that uses tax forms, New Jersey is also engaged in a pilot project to partner with nine school districts and conduct Express Lane Eligibility based on eligibility for the school lunch program.<sup>35</sup> CMS awarded the state a CHIPRA outreach grant to conduct the pilot project. In the nine participating school districts, the grant funds a school facilitator and a local community-based organization to assist with follow-up and provide enrollment assistance to families.

Although any school district in the state *may* choose to ask for a child's insurance status on the application for the school lunch program, the nine districts in the pilot *must* ask this question. In non-pilot school districts, families that claim to have an uninsured child (or children) and consent to be contacted by NJ FamilyCare are sent a regular application for NJ FamilyCare. In the nine pilot districts, families that claim to have an uninsured child and consent to be contacted by NJ FamilyCare are sent an application based on their eligibility for the school lunch program as follows: Children who are eligible for free lunch receive a NJ FamilyCare Express Lane Application A (children's Medicaid), children who are eligible for reduced-price lunch are sent a NJ FamilyCare Express Lane Application B (CHIP), and children who are ineligible for the school lunch program are sent a regular NJ FamilyCare application.

The Express Lane Applications A and B are one page long and require the family to provide only the child's name, address, date of birth, and Social Security number, and the family must choose a managed care plan. They are available in English and Spanish. If a family returns a completed Express Lane application, the child is automatically enrolled in coverage. The state uses data matching based on the child's Social Security number to verify the child's citizenship status. The pilot project also allows the state to create a web-based portal that school facilitators and NJ Medicaid administrators can use to verify which children have been certified eligible for the school lunch program. This helps ensure that only eligible families are able to use the Express Lane applications to enroll.

To bolster the efficacy of this approach, families who are slated to receive the Express Lane applications receive a postcard before the applications are sent telling them to look for the application, a cover letter from the school's superintendent with the application itself, and a follow-up postcard with contact information for the school facilitator in case the family needs any assistance with completing the application.

In the initial effort, which was launched in the 2010-11 school year, 5,000 households identified themselves as having uninsured children and consented to be contacted by NJ FamilyCare. The state mailed applications to these 5,000 households in November 2010. It is too early to measure the results of this effort or gauge its success, but the state will be analyzing the results extensively as part of its reporting requirements for its CHIPRA outreach grant.

## Lessons for Health Reform

Health reform requires that the process of applying for and enrolling in coverage be streamlined so that it is consumer-friendly and administratively simple (see “Health Reform Enrollment Principles” on page 15). It does not allow for automatic enrollment as permitted for children through Express Lane Eligibility, but it does clearly call for minimizing the information consumers must provide in the application process and maximizing the use of existing state and federal databases to obtain the information needed to determine a person's eligibility for Medicaid, CHIP, or premium credits for coverage in an exchange. See Families USA's fact sheet, *Enrollment Policy Provisions in the Patient Protection and Affordable Care Act*, available online at <http://www.familiesusa.org/assets/pdfs/health-reform/Enrollment-Policy-Provisions.pdf>.

Lessons from early Express Lane implementation efforts include the following:

- **Data matching works.** The data matching that is envisioned in the Affordable Care Act is in many ways closer to the relatively new citizenship documentation data matching option that is available for Medicaid and CHIP than it is to Express Lane Eligibility. The citizenship documentation data matching option allows states to verify Medicaid and CHIP applicants' citizenship by using the applicant's Social Security number to conduct data matching with the Social Security Administration, much as states will be able to verify health coverage using applicants' citizenship and income information in 2014.

The Affordable Care Act does not let states or state exchanges tap other programs' eligibility information to automatically deem an individual eligible for Medicaid, CHIP, or premium credits. Still, states' experiences with Express Lane Eligibility so far demonstrate that it is possible to take information that is already available (whether through SNAP, TANF, or state income tax forms), cooperate with the entities that administer those programs, and use that information to make eligibility

determinations for public coverage. State experience also shows that conducting such data matching streamlines the eligibility process for families and makes it easier for them to enroll. Health reform simply expands on this possibility, and it lays the groundwork for cooperation between states and federal agencies (including the Department of Health and Human Services, the Social Security Administration, the Department of Homeland Security, and the Internal Revenue Service).

- **Use fewer forms.** The more follow up that is required on the consumer's part, the less likely the consumer is to complete the process and enroll in coverage. Health reform enrollment systems should push the envelope as far as possible in tapping into existing databases so that very little is required of the consumer other than his or her name, date of birth, and Social Security number. Some states may need to move toward the goal of paperless enrollment incrementally, but it is never too early to begin reducing the number of forms and paper verifications required for Medicaid and CHIP. States with asset tests may want to eliminate those as a first step, since asset tests will no longer be permitted for most categories of Medicaid eligibility beginning in 2014.
- **Use the right words.** Even the simplest application forms or electronic interfaces must be written in ways that ask for *exactly* the information that is needed and leave as little room for error as possible. This means writing in the appropriate language and at the appropriate reading level for the audience, as well as avoiding vague words like "health insurance," "coverage," or even "Medicaid," depending on what the program is called in the state. When implementing data matching, states must also establish a system for resolving conflicts in data that come from different agencies (such as name spelling). Misspellings or data entry errors could make the difference between a person getting enrolled in coverage and a person remaining uninsured.
- **Reach out to the right agencies and organizations.** Those who will be newly eligible for health coverage in 2014 will be less likely than the families of uninsured children to be in contact with SNAP and TANF programs. States should establish relationships with groups and programs that do reach those who are newly eligible, such as community groups, safety net health care providers, employers, schools, and colleges. Even though these organizations may not be able to provide data that is pertinent to the eligibility process, like the SNAP or TANF programs can, they will be important partners in educating people about the availability of coverage and assisting with the application process.
- **Develop training for staff and community partners.** Express Lane Eligibility states have also found that it is important to provide comprehensive training for the eligibility workers who will participate in new eligibility determination and enrollment processes. Similarly comprehensive training will be necessary in the coming years so that community partners can play an effective role in the outreach and enrollment process for people who are newly eligible for coverage in 2014.

## Health Reform Enrollment Principles

The Affordable Care Act requires that the same application and enrollment process be used for Medicaid, CHIP, and premium credits and that this process be dramatically simplified compared to existing Medicaid enrollment policies. Specifically, it calls for the following:

- Creation of a single, simple form that people can complete to apply for health coverage (including Medicaid, CHIP, and premium credits) that can be filed online, in person, by mail, or by phone.
- That the agencies that administer Medicaid, CHIP, and premium credits participate in data matching, and whenever possible, use data that are already available through existing federal databases to establish, verify, and update eligibility.

## Conclusion

The Express Lane Eligibility provisions in CHIPRA provide states with new tools to streamline and simplify children's enrollment in Medicaid and CHIP. Linking Medicaid and CHIP applications to other agencies' findings will help states find and enroll the estimated 4.7 million children who are uninsured but eligible for Medicaid or CHIP.<sup>36</sup> At a time when states are facing large budget shortfalls, Express Lane Eligibility may also reduce the administrative burden and costs associated with enrollment.<sup>37</sup> Early Express Lane Eligibility implementation has been met with varying degrees of success, but states continue to modify and adjust their programs in order to maximize the number of children enrolled in Medicaid and CHIP. As states begin to construct simplified enrollment systems under health reform, they can draw lessons directly from the early experiences that Alabama, Iowa, Louisiana, and New Jersey have had with Express Lane Eligibility.

## Endnotes

- <sup>1</sup> Genevieve Kenney, Victoria Lynch, Allison Cook, and Samantha Phong, “Who and Where Are the Children Yet to Enroll in Medicaid and the Children’s Health Insurance Program?,” *Health Affairs* 29, no.10 (October 2010).
- <sup>2</sup> Since information was initially collected for this piece, two additional states have begun Express Lane Eligibility programs: Maryland and Oregon. For more information about these states’ programs, see Martha Heberlein, Tricia Brooks, Jocelyn Guyer, Samantha Artiga, and Jessica Stephens, *Holding Steady, Looking Ahead: Annual Findings of a 50-State Survey of Eligibility Rules, Enrollment and Renewal Procedures, and Cost Sharing Practices in Medicaid and CHIP, 2010-2011* (Washington: Kaiser Commission on Medicaid and the Uninsured, January 2011), available online at <http://www.kff.org/medicaid/8130.cfm>.
- <sup>3</sup> Phillip Rawls, “Budget Provides Children Increased Insurance Coverage,” *Montgomery Advertiser* (May 13, 2009); Personal communication between Laura Parisi, Families USA, and Kimble Forrister, Arise Citizens’ Policy Project, on May 15, 2009.
- <sup>4</sup> Rebecca Kellenberg, Lisa Duchon, and Eileen Ellis, *Maximizing Enrollment in Alabama: Results from a Diagnostic Assessment of the State’s Enrollment and Retention Systems for Kids* (Washington: Maximizing Enrollment for Kids Program, February 2010), available online at <http://www.rwjf.org/files/research/56388alabama.pdf>.
- <sup>5</sup> U.S. Department of Health and Human Services (HHS), *FY 2010 Performance Bonus Awards* (Washington: HHS, January 2011), available online at [http://www.insurekidsnow.gov/images/chipra\\_award\\_chart\\_pdf.pdf](http://www.insurekidsnow.gov/images/chipra_award_chart_pdf.pdf).
- <sup>6</sup> Telephone conversation between Laura Parisi, Families USA, and Jim Carnes, Communications Director, Arise Citizens’ Policy Project, on March 23, 2010.
- <sup>7</sup> Stan Dorn, *Express Lane Eligibility and Beyond: How Automated Enrollment Can Help Eligible Children Receive Medicaid and CHIP* (Washington: The Urban Institute, April 2009).
- <sup>8</sup> Telephone conversation between Christine Sebastian, Families USA, and Jim Carnes, Communications Director, Arise Citizens’ Policy Project, on March 23, 2010.
- <sup>9</sup> Telephone conversation between Christine Sebastian, Families USA, and Jim Carnes, Communications Director, Arise Citizens’ Policy Project, on September 29, 2010.
- <sup>10</sup> Ibid.
- <sup>11</sup> Mid-Iowa Health Foundation, *Iowa Child Health Policy: Building on Success* (Des Moines, IA: Child and Family Policy Center, April 2009).
- <sup>12</sup> U.S. Department of Health and Human Services, op. cit.
- <sup>13</sup> Telephone conversation between Jennifer Sullivan, Families USA, and Jill Whitten, Eligibility Policy Specialist, Iowa Medicaid, on October 21, 2010.
- <sup>14</sup> Ibid.
- <sup>15</sup> Louisiana State Law La. R.S. 46:977.8 (2007).
- <sup>16</sup> Telephone conversation between Laura Parisi, Families USA, and Robynn Schifano, Medicaid Program Manager, Louisiana Department of Health and Hospitals, on March 23, 2010.
- <sup>17</sup> The automatic enrollment option allows states to initiate and determine Medicaid eligibility without a signed Medicaid application as long as the family consents to be enrolled in Medicaid. The option is also available for CHIP, but to date, Louisiana is using it only in its Medicaid program.
- <sup>18</sup> The Children’s Partnership, *Express Lane Eligibility: Louisiana Moves Forward* (Santa Monica, CA: The Children’s Partnership, April 2009).
- <sup>19</sup> Stan Dorn and Genevieve Kenney, *Automatically Enrolling Eligible Children and Families into Medicaid and CHIP: Opportunities, Obstacles, and Options for Federal Policymakers* (Washington: The Commonwealth Fund, June 2006).
- <sup>20</sup> Stan Dorn, op. cit.
- <sup>21</sup> Personal communication between Jennifer Sullivan, Families USA, and Robynn Schifano, Medicaid Program Manager, Louisiana Department of Health and Hospitals, on January 5, 2011.
- <sup>22</sup> Telephone conversation between Laura Parisi, Families USA, and Robynn Schifano, op. cit.
- <sup>23</sup> *NJ FamilyCare Enrollment, Outreach, and Retention Report* (Trenton, NJ: Outreach, Enrollment, and Retention Working Group, May 2009), available online at [http://www.state.nj.us/humanservices/dmahs/news/NJFC\\_Workgroup\\_Report.pdf](http://www.state.nj.us/humanservices/dmahs/news/NJFC_Workgroup_Report.pdf).
- <sup>24</sup> New Jersey Public Law 2008 c. 38.



<sup>25</sup> The Centers for Medicare and Medicaid Services (CMS) approved a state plan amendment for Express Lane Eligibility in New Jersey's Medicaid program, but as of January 2010, has not yet approved one for CHIP. However, the state moved forward with its Express Lane Eligibility program in CHIP in 2009 as permitted by a CHIP Reauthorization Act "good faith effort" provision. This specifies that CMS will not deny federal funding to states that make good faith efforts to move forward with CHIP Reauthorization Act provision ahead of CMS guidance.

<sup>26</sup> Stan Dorn, Bowen Garrett, Cynthia Perry, Lisa Clemans-Cope, and Aaron Lucas, *Nine in Ten: Using the Tax System to Enroll Eligible, Uninsured Children into Medicaid and CHIP* (Washington: The Urban Institute, February 2009).

<sup>27</sup> The Earned Income Tax Credit is fully refundable, meaning that a family actually receives a refund check from the federal government if the amount of their credit exceeds their federal tax liability.

<sup>28</sup> Erica Williams, Nicholas Johnson, and Jon Shure, *State Earned Income Tax Credits: 2010 Legislative Update* (Washington: Center on Budget and Policy Priorities, December 9, 2010), available online at <http://www.cbpp.org/cms/index.cfm?fa=view&id=2987>.

<sup>29</sup> Stan Dorn, Bowen Garrett, Cynthia Perry, Lisa Clemans-Cope, and Aaron Lucas, op. cit.

<sup>30</sup> Only one-third of the cases have been processed.

<sup>31</sup> *NJ FamilyCare Enrollment, Outreach, and Retention Report*, op. cit.

<sup>32</sup> Telephone conversation between Christine Sebastian, Families USA, and Heidi Smith, Director, NJ FamilyCare Outreach, on October 18, 2010.

<sup>33</sup> Telephone conversation between Jennifer Sullivan, Families USA, and Carol Grant, Chief of Operations, New Jersey Department of Human Services, on January 6, 2011.

<sup>34</sup> *Uninsured Rates for the Nonelderly by Age, States (2008-2009), U.S. (2009)*, Kaiser State Health Facts, available online at <http://statehealthfacts.org/comparetable.jsp?ind=139&cat=3>, accessed on January 10, 2011.

<sup>35</sup> Telephone conversation between Jennifer Sullivan, Families USA, and Carol Grant and Heidi Smith, New Jersey Department of Human Services, on January 7, 2011.

<sup>36</sup> Genevieve Kenney, Victoria Lynch, Allison Cook, and Samantha Phong, op. cit.

<sup>37</sup> Samantha Artiga and Beth Morrow, *Why Express Lane Eligibility Makes Sense for States and Low-Income Families* (Washington: Kaiser Family Foundation and The Children's Partnership, October 2009), available online at <http://www.kff.org/medicaid/upload/8006.pdf>.

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