Becoming Healthy Louisiana: System-Assisted Medicaid Enrollment

Enrollment in Louisiana’s Medicaid expansion, which began on June 1st, got off to a rapid start, with 233,794 new enrollees by June 30th. This robust beginning was due in large measure to months of behind-the-scenes work aimed at leveraging information from existing state systems to facilitate swift and seamless Medicaid enrollment. The state identified groups of people already participating in state-administered programs who are eligible for Medicaid under the new expansion, and quickly enrolled them through a combination of automatic transfers and the use of a federal option that relies on data from the Supplemental Nutritional Assistance Program (SNAP) to significantly streamline enrollment. By using verified data on income and other eligibility factors available in state databases, Louisiana obviated the need for individuals to complete a separate Medicaid application or produce additional or duplicative verification documents.

**Transfers from Existing Programs Contribute to Initial Medicaid Enrollment Count**

The first month’s enrollees include a group of 197,000 people, the vast majority of whom were participants in two programs: Greater New Orleans Community Health Connection, or GNOCHC, which offered limited primary care in four New Orleans parishes, and Take Charge Plus, which offered family planning benefits. Participants in these programs were mailed notices in early May letting them know that they were automatically eligible for Medicaid and that they would not need to file an application. Except for individuals over age 65, who are not eligible under the expansion, the state added all individuals from these groups to Medicaid on May 28th, and by the week of June 6th they began receiving their health plan ID cards.

**Facilitated Enrollment Using SNAP Data**

Eligibility workers enrolled the remaining 43,306 people after determining their Medicaid eligibility. However, for a significant share of that group – 12,952 or 30% -- the process was especially easy, since the state implemented another system-assisted strategy. Under a new opportunity that CMS made available to states in August 2015, participants in SNAP who are under age 65 and meet specific criteria indicating they are certain to be eligible for Medicaid’s new Adult Group, can be enrolled based on their gross income as calculated by SNAP, without a separate Medicaid application. Louisiana is the first state in the nation approved by CMS to use this option, which further simplifies a targeted enrollment strategy offered to states in 2013. In the first few days the strategy was in effect, the state enrolled over 1,000 SNAP participants in Medicaid each day.

Following are the key steps Louisiana took to implement SNAP-assisted enrollment:

**SNAP cohort is identified.** First, the state conducted a detailed crosswalk of Medicaid and SNAP income-counting methodologies to identify differences that could rule out specific people from the “certain to be eligible” for Medicaid category. The Louisiana Department of Children and Family Services (the SNAP agency)
transferred information on SNAP participants identified as certain to be eligible for Medicaid to the Department of Health and Hospitals (the Medicaid agency), which ran a data match to identify and eliminate from the group anyone who already had Medicaid coverage. As a result, the state identified a cohort of 105,000 individuals enrolled in SNAP who were eligible for the SNAP-assisted Medicaid enrollment process. These individuals were entered into the eligibility system as “pending” New Adult cases.

**Canary yellow “offer letters” mailed to SNAP cohort.** Beginning May 31, the Medicaid agency mailed an “offer letter,” in batches of 14,000 per day, to the SNAP cohort. The letter, enclosed in a bright, eye-catching, canary-yellow envelope, specifies the household members eligible to enroll in Medicaid and requests answers to four simple, yes-or-no questions needed to confirm Medicaid eligibility (see box). The letter also reminds individuals who may be enrolled in a qualified health plan (QHP) in the Marketplace, and who are getting the premium tax credit, that if they want to enroll in Medicaid, they must disenroll from the QHP or potentially face a penalty in the form of tax liability when they file a tax return next year.

**Answer “Yes” or “No” to These Four Questions**

1. Is anyone above listed as a dependent on an income tax return filed by someone who does not live with you?
2. Does anyone above file a tax return that claims someone as a dependent and that person does not live with you?
3. Does anyone above earn money from Delta Services Corps or AmeriCorps?
4. Is anyone under 18 years old and makes more than $525 a month?

**SNAP participant responds.** The letter asks the SNAP participant to affirm he or she wants Medicaid coverage by signing and returning the letter to the Medicaid agency by mail, fax or email. Individuals may also respond by phone and provide a telephonic signature.

**Eligible SNAP participant is enrolled in Medicaid.** When a response to the offer letter is received, a worker will check to see if the answer to all four questions is “No” (which is the case roughly 95% of the time), make sure there is a signature and verify that the SNAP case is still active. Other eligibility factors such as Louisiana residency and immigration status have been verified by SNAP and do not have to be repeated. U.S. citizenship is verified electronically. If all is in order, the “pending” status in the system is changed to “approved.” This process takes substantially less time than a full eligibility determination.

The state is drawing attention to the canary-yellow envelopes in public meetings and in the media. The state also expects to do another mailing to a “refreshed” list of people participating in SNAP as of July 1, and this time the state anticipates including a postage-paid reply envelope. Before sending the letters, the state will remove “stale” addresses based on returned mail. In addition, if a SNAP participant comes to a Medicaid application center to apply, the worker can check the state system to see whether the person appears with a pending status. If so, the worker can ask the four questions, rather than requiring the person to complete the full Medicaid application. Beginning July 1, this will become part of the routine Medicaid application process, so that SNAP participants, including children, can be enrolled using the streamlined procedure.
The SNAP Strategy in Action

“The SNAP Strategy in Action” a 45-year-old woman living in La Place, Louisiana had heard about the yellow envelopes on the news, but until one landed in her mailbox, she didn’t think the message was meant for her. She last had Medicaid 21 years ago when she was pregnant with her daughter. Since then she’s had health insurance off and on, and once she applied for Medicaid, but was turned down. That was a deep disappointment: Lynette is a diabetic who requires insulin. At $120 per month, that was something she just couldn’t afford. “It was a scary time,” she says. “I tried managing by watching my diet and exercising even when I just didn’t want to. But my sugar was never where it needed to be.” Lynette developed circulation problems in her feet and now needs other medication as well. So when she opened the yellow envelope and learned that she could qualify for Medicaid, she was so excited. “It was so easy,” she said. “I answered the questions at the bottom of the form, scanned it and emailed it to the address they gave me. That was it. I really couldn’t believe it.”

A Sustainable Simplification

The new SNAP option that Louisiana is implementing carries distinct advantages over the strategy CMS made available in 2013. Under the earlier strategy, SNAP-assisted enrollment was most often a one-time event and was considered temporary, put in place as the ACA was being implemented, to help states overcome technological constraints and heavy workloads during the initial transition to their new systems. States could use the strategy for a given individual either at initial enrollment or renewal, but not both. Since states were not identifying SNAP participants “certain to be eligible” for Medicaid, they were required to conduct a full MAGI determination for SNAP participants they enrolled (or renewed) within 12 months. Even though a full eligibility determination would be required later, several states chose to adopt the option, and the first six participating states (AR, CA, IL, NJ, OR, WV) enrolled over 726,000 people during the first 14 months of implementation. The new strategy features a number of improvements: It is not considered a temporary measure, with CMS approval tied to the state experiencing systems challenges. Rather, it was conceived as an ongoing simplified process that can be used for both initial enrollment and subsequent renewals, as long as the individual continues to participate in SNAP.

Looking Ahead

With the SNAP-assisted enrollment strategy in place, Louisiana is looking at the future. The state is planning to activate the SNAP process for annual renewals and it is preparing to build the capacity to enable individuals to respond to the offer letter online. Ultimately, the process will be embedded into Louisiana’s routine Medicaid enrollment and renewal procedures. Whenever someone is approved for SNAP, the system will automatically generate information to be transferred to Medicaid. The state will then identify those not already enrolled in Medicaid and certain to be eligible, and send them the four questions. The state estimates that this innovation will save more than 52,000 FTE hours that would otherwise be spent by eligibility workers enrolling this population, saving the state over $1.5 million in estimated pay and benefits costs, in addition to any associated administrative costs. Louisiana’s adoption of system-assisted strategies have proved pivotal to facilitating rapid enrollment as the Medicaid expansion is being implemented. Incorporating the new procedures into the routine enrollment procedures will continue to streamline the process moving forward.
1 Louisiana Department of Health, administrative data extracted from MEDS (Medicaid Eligibility Data System), 7-1-2016.

2 Ibid.
