

## **Louisiana: Expansions, Simplifications and Outreach**

### **Summary**

Since the late 1990's Louisiana has made steady and substantial progress in expanding eligibility for Medicaid and LaCHIP (Louisiana's State Children's Health Insurance Program), and enrolling and retaining eligible children. Since LaCHIP's implementation in November 1998, Louisiana reported an uninsured rate for low-income children of 32 percent. By 2007, the uninsured rate for this population had dropped to 5.4 percent. In addition, a focus on improving renewal processes has resulted in only one child out of 100 coming up for renewal losing coverage for paperwork reasons.

Louisiana has taken full advantage of existing best practices in the field and has created some of its own methods as well. Consistent, high-level political support, successful troubleshooting, and redirecting of efforts has kept the state moving forward.

### **Background/History**

In the late 1990's, the state of public health coverage for children in Louisiana was a bad news-good news scenario. The bad news was that nearly 32 percent of children in the state with family incomes at or below 200 percent of the federal poverty level (FPL) were uninsured. State officials identified a number of contributing factors: 1) a conservative children's Medicaid program that covered only federal mandatory groups; 2) high poverty rates; and 3) low literacy levels state-wide, making it difficult for people to navigate the eligibility system.

The good news was that the state's Medicaid program had a number of positive elements on which to build:

- Mail-in renewal since 1992
- No asset tests
- Most eligibility workers were not stationed in the welfare agency
- A strong benefits package
- 300+ community-based application centers

As a result, when federal State Children's Health Insurance Program (SCHIP) dollars became available in 1998, Louisiana decided to launch its SCHIP program as a Medicaid expansion, called LaCHIP (Louisiana Children's Health Insurance Program). By using Medicaid as the vehicle for expansion, health officials hoped to eliminate the need for cross-program coordination, use existing Medicaid staff as an outreach resource, and make sure simplification and streamlining for the SCHIP population would also benefit the Medicaid population. The state now calls its Medicaid and SCHIP expansion by the one name of LaCHIP. Over the ensuing nine years, Louisiana marched steadily and aggressively toward substantial improvements in insurance coverage for low-income children. The state's efforts focused on several key areas of work:

- **Expanding eligibility.** Before SCHIP, Louisiana covered children ages 0-19 in Medicaid up to

133 percent of the FPL. Work was undertaken to increase coverage to more children by expanding eligibility. By January 2001 the state had expanded coverage up to 200 percent of the FPL. In 2008, the state implemented a separate SCHIP program up to 250 percent of the FPL. The state does not provide health coverage to immigrants who are not eligible for coverage under Medicaid/SCHIP.

- **Increasing retention.** While enrollment was expanding, health officials noted a simultaneous “hole in the bucket” effect on the other end: high levels of case closure at renewal (exceeding, at times, the number of new children enrolled). In April 2000, the Louisiana Department of Health and Hospitals, Bureau of Health Services Financing (BHSF; the agency that administers LaCHIP) began considering ways to implement new clarification of existing ex parte law, which requires states to base renewals “to the maximum extent possible” on information already known to the agency. In October 2001 a retention analysis report commissioned by BHSF laid out a blueprint for a multi-faceted response to this problem.
- **Pursuing aggressive outreach.** LaCHIP, with state agencies and other partners, undertakes substantial statewide outreach efforts throughout the year.

## Support/Opposition

### Support

Over the years, Louisiana’s steady progress can be attributed to a number of factors.

- **Consistent high-level political backing.** Leadership in the Department of Health and Hospitals—by Secretaries David Hood (1998-2003) and Dr. Fred Cerise (2003-2007), and LaCHIP director Ruth Kennedy—combined with strong bipartisan gubernatorial support—first by Republican Mike Foster (1996-2004) and then Democrat Kathleen Babineaux Blanco (2004-2008)—to help garner continued support.
- **A strong and wide base of support.** Champions of these efforts in Louisiana have included, among others, a range of state children’s advocacy groups, the Robert Wood Johnson Foundation’s Covering Kids & Families coalition, many individual state legislators, and the Louisiana State Superintendent of Education (1996-2007), the late Cecil Picard, who strongly believed in the link between health and educational outcomes.
- **A range of effective arguments.** State officials and advocates made the case for improving coverage—and the specific strategies for getting there—in a number of different ways, including: establishing the link between health and educational outcomes and between health and poverty; underscoring that investment in primary and preventive care would result in a healthier population and reduced health care costs for the state when children reached adulthood; and reminding the public that covering children is inexpensive when compared with costs for other population groups.

### Opposition

In 1998, there was considerable debate in the Louisiana Legislature about LaCHIP, leaving many to wonder whether the state would even implement this optional program. While legislation authorizing the creation of LaCHIP was eventually enacted, some representatives in the Louisiana Legislature opposed it, principally based on concerns about big government, crowd-out of private insurance, and sustainability in the absence of on-going federal support. However, given the

program's success, there has been no subsequent political opposition to eligibility expansions and program changes.

## **Program Elements**

Louisiana officials identify three prerequisites for increasing enrollment in LaCHIP (the state's combined Medicaid and SCHIP): 1) eligibility expansion; 2) simplification of initial enrollment and renewal procedures; and 3) aggressive outreach.

- 1. Eligibility Expansion.** Louisiana adopted a three-phase plan that gradually raised the eligibility threshold from 133 percent of the federal poverty level (FPL) in the first year, to 150 percent in the second year, to 200 percent by January 1, 2001. The Medicaid expansion model was retained without cost-sharing even as new cohorts of children and families became eligible. In October 2007, the state enacted Act 407, Louisiana Children and Youth Health Insurance Program that expanded coverage through a separate program for families earning up to 300 percent of the FPL, with financial participation required on a sliding scale.

However, as a result of the August 17 directive from the Centers for Medicare and Medicaid Services (CMS), which places restrictions on states' ability to expand coverage using federal funds, Louisiana has had to scale back its initiative. CMS approved an expansion up to 250 percent of the FPL gross income (the state had intended to use the same deductions as their Medicaid and SCHIP programs) with a 12-month waiting period. Approval was received on February 27, 2008 and the program was implemented June 2008.

- 2. Procedural simplifications and improvements.** LaCHIP sought to build on an already-simplified enrollment process by further minimizing paperwork and requirements wherever possible. For example, the state adopted a literacy-tested application, which has been reduced from 14 to three pages, as well as a simplified renewal form. Louisiana also implemented simplification and improvement activities in some key areas.

Changing the eligibility determination culture: Through intensive "internal marketing" Louisiana shifted the thinking of its eligibility workers—helping them see the integral role they played in reducing the number of uninsured children in the state. Caseworkers were trained on the health and financial consequences of being uninsured, on why families may fail to respond to requests for information, and on barriers to enrollment and retention from the family's point of view. As a result, the state now puts a premium on enrolling and retaining eligible children, rather than on minimizing enrollment.

### Streamlining the eligibility verification process:

- *Ex parte* reviews are used to verify eligibility at enrollment and renewal by using income, household, residency, citizenship, child support and age data, as well information from other programs such as TANF cash assistance, Food Stamps, and Social Security Income.
- Self-declaration of citizenship and residence is allowed, though curtailed by the passage of the federal Deficit Reduction Act in 2006 which requires applicants to present original and/or certified proof of their citizenship and identity. Louisiana increased Medicaid eligibility staff's access to online vital records to address the new citizenship documentation requirement.
- 12 months continuous eligibility guarantees a full year of coverage regardless of changes in family circumstances. This policy also decreases the number of renewals an

- eligibility worker must do each year.
- Social Security cards are not requested if the number is provided and matched against Social Security Administration records.
- Income documentation was reduced from 8 weeks to 4 weeks. In addition, coverage can be retained without paperwork as long as wage information in the Department of Labor's database verifies eligibility.
- Income verification is sought from employers by phone and/or fax, as opposed to in writing.

Improving general operations to support simplified enrollment and retention:

- New closure and ex parte renewal codes were established so progress and outcomes in the 45 local offices across the state could be closely monitored. State officials believe this data is a prerequisite to improving retention rates.
- Procedures were put in place to track children rather than cases, i.e., to track actual renewal outcomes.

- 3. Aggressive follow-up and outreach.** Outreach has been institutionalized in LaCHIP. Whether conducted by individual eligibility caseworkers, supervisors or managers, or as part of an intensive statewide campaign that involves other stakeholders, the agency focuses on staying connected to participating families.

Standard case management practice includes:

- Multiple follow-up telephone calls when renewal forms are not returned.
- Contact by phone prior to case closure.
- Making calls outside traditional office hours.
- Confirming and updating contact information whenever there is communication with a family.
- Mailing an additional renewal form with advance notice of closure.
- Telephone reviews of eligibility – without the need for a signed renewal form.
- Supervisory review of all procedural closures.

Louisiana's outreach initiatives have included:

- In partnership with the State Department of Education, an annual "back to school" media blitz and enrollment drive including distribution of more than 900,000 flyers with school lunch applications in all public, parochial, and charter schools.
- Widespread distribution of the LaCHIP application form in community locations such as Community Action Agencies, hospitals, clinics, physician's offices, churches, WIC Clinics, and Head Start centers.
- Application assistance is available not only in the state's 45 eligibility offices, but from more than 400 community-based organizations and providers across the state. These partners receive a small state stipend for applications submitted.
- 800+ statewide Medicaid managers, supervisors, eligibility caseworkers, and clerical staff engaged as major players in outreach. Staff brainstorm and implement regional outreach plans, organize and conduct local meetings, tell friends, family, neighbors, and acquaintances about LaCHIP, and distribute application forms.
- Eligibility staff working out in the community use laptops equipped with wireless access to the state's computerized eligibility system. This enables them to complete applications, check people's status, and update case information in the community.
- A "24/7" voice response system through which callers can request an application, make status inquiries, complete renewals, and get information about benefits.

- A focus on regions with the highest rate of uninsurance, particularly Northwest Louisiana parishes that have high numbers of eligible but uninsured children and pronounced racial disparities. The state dramatically increased outreach hours and activities there, and out-stationed more eligibility workers.

## **Funding**

Louisiana has faced budget deficits for many years and so has not had substantial additional dollars to devote to LaCHIP improvements, marketing, and outreach. However, state officials report that savings from administrative changes (e.g., a significant reduction in postage due to telephone and electronic processing of applications and renewals) have helped offset additional costs.

## **Results**

Louisiana's steady and multi-faceted efforts to enroll and retain children in public health insurance coverage have yielded concrete results.

According to the Louisiana Health Interview Survey:

- In 2007, 5.4 percent of children in the state were uninsured, a decrease from 7.6 percent in 2005. While officials believe the decline in uninsured children is partly attributable to population shifts (due to Hurricanes Katrina and Rita), history shows that the programs have been successful in covering children. In fact, when LaCHIP was implemented in 1998, the state reported a 32 percent uninsurance rate for low-income children. In addition, until the new federally-required citizenship documentation requirements were enacted, there had been net increases in enrollment in LaCHIP every month since May 2000.
- From 2005 to 2007, there has been a notable increase in awareness of LaCHIP. Among all households, awareness increased from 43 percent to 64 percent; in households with children, it increased from 61 percent to 78 percent; in households with children below 200 percent of poverty, from 66 percent to 81 percent.

In addition, efforts to improve policy and practice have had a direct impact on the way business is accomplished. According to state officials, data show that:

- Only one child out of 100 coming up for renewal loses LaCHIP for paperwork reasons, nearly eliminating coverage gaps for children.
- About 88 percent of children have their ongoing eligibility verified and renewed without a renewal form.

## **Lessons Learned**

Louisiana's successes have been the result of a number of key factors, including:

- Client data systems, like food stamps, etc., that can share information across programs.
- Trusting relationships among participating agencies.
- Availability of office-by-office data on outcomes to determine whether or not policies and practices put in place at the state level are in practice on the ground.
- Ongoing reviews of existing policies and procedures.
- Acknowledgement and recognition of good outcomes.
- Empowerment of local eligibility offices in designing ongoing improvements.
- An incremental approach to implementing changes in eligibility and administrative practice.
- In-person follow-up, on a case-by-case basis.

## **Contacts**

Ruth Kennedy  
Medicaid Deputy Director/LaCHIP Director

Louisiana Department of Health & Hospitals  
225-342-3032  
rkennedy@dhh.la.gov

Kyle C. Viator  
Director of Operations - LaCHIP  
Louisiana Department of Health & Hospitals  
225-342-6043  
kviator@dhh.la.gov

Don Gregory  
Director of Field Operations  
Louisiana Department of Health & Hospitals  
225-342-5716  
dgregory@dhh.la.gov

## Louisiana's Children's Health Insurance Program At a Glance

Program Element	Medicaid Program	Expanded SCHIP Program
<b>Implementation Date</b>	n/a	June 1, 2008
<b>Program Type</b>	Medicaid expansion	Separate program
<b>Income Range and Population</b>	Children up to age 19 with family incomes up to 200% of the FPL; called LaCHIP  Does not provide health coverage to immigrants who are not eligible for coverage under Medicaid/SCHIP.	Children up to age 19 with family incomes between 200% and 250% of the FPL (enacted legislation would have covered children with family incomes between 200% and 300% of the FPL but due to the CMS Directive the state scaled back the program)
<b>Cost-Sharing</b>	No cost-sharing provisions	Monthly premiums (\$50/family); co-insurance based on a percentage of the charge; no co-pays for well-baby, well-child, or vaccinations; annual cap on out-of-pocket costs at 5% of family gross income
<b>Enrollment/Renewal Procedures</b>		
<b>Application</b>	Mail-in or web-based application; no face-to-face interview or asset test required	Same application and enrollment process
<b>Continuous Eligibility</b>	12 months	12 months
<b>Renewal</b>	No face-to-face interview or asset test required; can renew by phone with caseworker or through automated system/web; ex-parte renewal process, utilizing existing data to determine eligibility for another 12 months from date of renewal	Same renewal form and procedures
<b>Crowd-out Measures</b>	No waiting period	12-month waiting period, unless they qualify for limited "good cause" reasons
<b>Presumptive Eligibility</b>	Enacted, but not yet implemented	Enacted, but not yet implemented
<b>Benefits</b>		
<b>Benefits</b>	Covers doctor visits, hospital care, immunizations, vision, prescriptions, dental, mental health, and substance abuse	Covers doctor visits, hospital care, immunizations, prescriptions, mental health, and substance abuse; no dental or vision benefits
<b>Service Delivery System</b>	Most low-income beneficiaries are required to participate in CommunityCARE, where they are linked with a PCP who serves as a medical home	Same service delivery system

<b>Other Provisions</b>		
<b>Outreach</b>	Nine staff members spend 100% of their time on outreach; hundreds of other state eligibility employees undertake ongoing outreach; state contracts with 11 local entities	State may contract with additional local entities to assist with outreach and enrollment
<b>Premium Assistance</b>	Louisiana Health Insurance Premium Payment (LHIPP) will pay for some or all of the health insurance premiums if health insurance is available through their job, someone in the family has Medicaid, and if it is cost effective to the state	Same premium assistance program

Last Updated: January 2009