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GOVERNMENT

States maintain or ease access to Medicaid and CHIP

Twenty-nine states lowered cost-sharing, increased eligibility or improved enrollment systems in 2011, according to a survey.

By DOUG TRAPP, amednews staff. *Posted Jan. 27, 2012.*

Washington -- Despite continued budget pressures on states, far more states eased than tightened access to Medicaid and the Children's Health Insurance Program in 2011.

Twenty-nine states increased Medicaid or CHIP eligibility, lowered beneficiary cost-sharing or improved their enrollment procedures in 2011. That's according to a 50-state survey of state Medicaid programs released Jan. 18 by the Kaiser Commission on Medicaid and the Uninsured and the Center for Children and Families at Georgetown University. In contrast, only two states restricted Medicaid or CHIP eligibility last year, and only seven increased enrollee cost-sharing.

State Medicaid actions were influenced by federal incentives and requirements in the national health system reform law, according to the survey. For example, the Dept. of Health and Human Services announced in April 2011 that it would pay 90% of the costs of developing new or upgrading existing Medicaid eligibility and enrollment systems until 2015. Eighteen states have received HHS approval for such upgrades, and 11 more have submitted applications, according to the report.

The health reform law requires states to maintain their Medicaid eligibility levels, standards and enrollment procedures through at least 2014, with limited exemptions. States that expanded eligibility were in some cases eligible for additional federal matching funds made available by the health reform law and the 2009 CHIP reauthorization.

States' upgraded Medicaid enrollment systems should reduce the number of Medicaid-eligible people who move in and out of the program. Limiting this so-called churn will help improve research on the effectiveness of Medicaid programs, said Tricia Brooks, a report co-author and senior fellow at the Center for Children and Families.

"We can't measure the quality of health care and outcomes unless we keep people continuously enrolled," she said.

Most states accept Medicaid applications electronically, but so far only one -- Oklahoma -- provides an instant or near-instant response to online applications, according to the report. Applicants can be deemed eligible, and physicians can begin billing the state for patient care, even if state offices are closed. The system verifies identities through state birth records and Social Security Administration records. About three-quarters of the state's Medicaid population is eligible for electronic renewal. Of those who enroll or renew, 90% do so without using any paper forms, said Mike Fogarty, CEO of the Oklahoma Health Care Authority, the state's Medicaid agency.

Planning for Oklahoma's upgraded system, which went live in September 2010, began before Congress enacted the national health reform law, Fogarty said. The Medicaid enrollment system also should allow the state's Medicaid program to integrate easily with a future health insurance exchange, Fogarty said. The system cost several million dollars, but all but about a half-million of the cost was paid for by federal grants.

"Obviously, for the state, it was a great deal," Fogarty said.

Diane Rowland, ScD, executive director of the Kaiser Commission on Medicaid and the Uninsured, said improving states' Medicaid eligibility and enrollment systems is just a first step to ensuring continuity of care. "Coverage starts with enrollment, but it doesn't end there," she said.

The survey is online (**www.kff.org/medicaid/briefing-2012-data-50-state-survey-medicaid.cfm**).

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