



Forthcoming Rule on Program Integrity and Eligibility Determination Processes

Medicaid and CHIP Payment and Access Commission

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Overview

- Forthcoming rule
- Existing rules and rationale
- Experiences to date
- Areas for potential change and comments

Forthcoming Rule

- Forthcoming rule that “would strengthen the integrity of the Medicaid eligibility determination process including verification, changes in circumstance, and redetermination”
 - Few details available
 - Administration’s fiscal year 2021 budget would allow states option of more frequent renewals
- Rule is scheduled for release in April 2020

Existing Rules and Rationale

- Historically, enrollment and renewal processes relied on in-person applications and paper documentation
- Following the enactment of the State Children's Health Insurance Program (CHIP), efforts focused on enrolling and retaining eligible children
- Patient Protection and Affordable Care Act (ACA) adopted many of these approaches

Existing Rules and Rationale

- Require the use of electronic data for verification, annual renewal periods for MAGI populations, and responses to changes in circumstances
- Intended to reduce complexity and burden for enrollees and states, with the goal of:
 - increasing the share of eligible individuals that enroll and retain coverage
 - decreasing errors associated with administering complex rules
 - determining eligibility more efficiently

Experiences to Date:

Administrative Simplicity

- Balance between accurate eligibility determinations and streamlined enrollment
- Electronic data sources facilitated real-time eligibility determination, more efficient processing, and auto-renewal
- Systems issues may have played a role in declining enrollment in some states in the last few years

Experiences to Date: Accuracy

- Payment Error Rate Measurement (PERM): most eligibility errors were due to insufficient information to determine eligibility
- Office of Inspector General (OIG) audits: lack of documentation inhibited the ability to assess the accuracy of determinations or verifications were not completed
- Government Accountability Office (GAO): a number of accuracy issues, some which resulted in errors in eligibility determinations

Areas for Potential Changes and Comments

- Verification requirements
- Documentation retention
- Routine data checks
- Timeliness of renewals
- More frequent renewals
- Supporting individual success
- Continue with implementation



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