

EXPRESS LANE ELIGIBILITY:

An Opportunity to Modernize Enrollment of Eligible But Uninsured Children in Health Care Coverage

Introduction

On February 4, 2009, President Obama signed into law the State Children's Health Insurance Program Reauthorization Act of 2009. This new law is an historic milestone for children's health. It provides \$32.8 billion to the Children's Health Insurance Program (CHIP) over a four-and-a-half year-period and is estimated to cover an additional 4.1 million children who otherwise would be uninsured. It also offers states the option to institute Express Lane Eligibility (ELE).

What is Express Lane Eligibility?

ELE is an administrative streamlining option that uses data from other government agencies to identify, enroll, and retain children who are eligible for Medicaid or CHIP. Section 203 of the new law gives states the option to authorize Medicaid and CHIP agencies to borrow specific eligibility findings from other public need-based programs, such as the National School Lunch Program (NSLP), rather than having to re-gather and re-analyze the same eligibility data. ELE can be used for both initial eligibility determinations and for renewals. It can establish any element of eligibility for health coverage except citizenship and nationality, for which a state must use Medicaid and CHIP methods to confirm eligibility.

Who Will Benefit?

There are roughly 9 million uninsured children in the United States, and two-thirds of them are eligible for Medicaid or CHIP, but not enrolled. Most uninsured, low-income children participate in need-based programs, such as Food Stamps, the NSLP, or the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). These are the children who can be reached efficiently through ELE because they have already opted into public programs and proven their eligibility.

Why Should States Consider Express Lane Eligibility?

ELE has enormous potential to improve children's health, cut down on duplicative enrollment steps that are inefficient for parents and taxpayers alike, and help modernize the systems that run Medicaid and CHIP. ELE can accomplish the following:

- Find large numbers of uninsured children already enrolled in public programs and effectively and efficiently enroll them in health care coverage;
- Provide a state with the unique opportunity to construct a more efficient enrollment strategy without exposing it to financial penalties for errors; and
- Help a state qualify for the new performance bonus payments that were enacted as part of the reauthorization.

The systems improvements that enable ELE can:

- Improve administrative efficiency, upgrade verification and tracking capabilities, and save taxpayer dollars; and
- Facilitate a state's transition from an old Medicaid Management Information System (MMIS) to the new Medicaid Information Technology Architecture (MITA) that is being promoted by the Centers for Medicare & Medicaid Services (CMS) to enable data-sharing across organizational silos.

Does ELE Work?

Based on the experiences of other programs that have used similar streamlining techniques, it is clear that simplifying the enrollment process has the potential to reach and insure many more uninsured children. For example, experience with ELE-style procedures in the WIC program demonstrates the value of creating enrollment linkages between programs. Participation in Medicaid is adequate to establish income eligibility for WIC. The resulting simplification for families contributes to significantly higher rates of WIC participation among income-eligible families participating in Medicaid than among income-eligible families not in Medicaid (over 50 percent higher).¹ ELE now allows states to use the same process, but in reverse.

What Funding Exists to Assist States with ELE?

The new law establishes three new modes of funding to assist states in streamlining enrollment and renewal, supplementing existing administrative funding through Medicaid and CHIP. The first is the performance bonus system, which offers states bonus payments when they achieve enrollment of Medicaid-eligible but uninsured children that is above current levels. The second incentive is the new availability of enhanced federal matching funds for the implementation and maintenance of electronic systems to verify declaration of citizenship or nationality through the Social Security Administration (SSA). Finally, the law provides \$100 million in outreach and enrollment grants that are available for states during federal fiscal years 2009 through 2013.

More Information About Express Lane Eligibility and The Children's Partnership

Since 1999, The Children's Partnership has been developing policy recommendations for Express Lane Eligibility and working with states on the issue of streamlining enrollment. To learn more, contact Ken Kelly, Director of The Children's Partnership's Washington, DC Office (kkelly@childrenspartnership.org or (202) 429-0033), or visit our Web site (www.childrenspartnership.org/ExpressLaneEligibility).

¹ Bitler, Currie, and Scholz, "WIC Eligibility and Participation" (U. Wisconsin, Institute for Research on Poverty, June 2002) 25.