



HUSKY Program Coverage for 18 Year Olds: Recommendations for Avoiding Gaps or Loss of Coverage

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In Connecticut, many children who turn 18 while enrolled in HUSKY A (Medicaid) are at risk of losing coverage due to administrative error. The notice that the Department of Social Services sends to their parents does not make it clear that children are eligible until their 19th birthdays. This problem is long-standing and can disrupt access to needed health care.

Medicaid Eligibility for Children Aged 18

The HUSKY Program is Connecticut's health insurance program for children and parents in low income families. To qualify for coverage, children under 19 must be Connecticut residents and US citizens or legal permanent residents of the US. Children in HUSKY A (Medicaid) can qualify if they live in families with income less than 185 percent of the federal poverty level (under \$40,792 for a family of four); their parents or caretaker relatives are also eligible for coverage. Children in HUSKY B (CHIP) qualify if they live in higher income families and have been uninsured for at least two months prior to enrolling.¹ Parents of children in HUSKY B are not eligible for coverage.

In HUSKY A (Medicaid), all children who qualify for coverage are eligible until the age of 19. Most are covered along with their parents and siblings in a Medicaid coverage group for families (also known by the Department's code F07). Others whose parents are not covered are enrolled in a Medicaid coverage group for children (F25). Parents and children in the family coverage group are eligible for one year of transitional medical assistance (F03) if increased earnings put them over the income limit for Medicaid. Transitional medical assistance is not available for persons in other coverage groups who are over-income.

Prior to welfare reform in 1996, federal regulations tied Medicaid eligibility to eligibility for cash assistance. Those rules prohibited assistance (cash or medical) for 18 year olds who were not enrolled in school. Once a child living in a household that received cash assistance turned 18, he or she was no longer eligible for Medicaid coverage unless living at home, enrolled in school full-time, and expected to graduate by age 19. After welfare reform, the link between Medicaid and cash assistance was severed; however, some of the administrative procedures, computer programs, and attitudes about eligibility carried over as this very complex program changed incrementally over time. The persistence of these factors has made it difficult for many children to maintain Medicaid coverage after they turn 18. These rules never applied to the Children's Health Insurance Program (HUSKY B in Connecticut) because it was never connected with the welfare program at the state or federal level.

¹ There are exceptions to two-month uninsured requirement for families that have experienced involuntary loss of employment, death of a parent, change to a new employer who does not provide dependent coverage, discontinuation of employer-sponsored health benefits, expiration of COBRA benefits, self-employment, termination of coverage due to extreme financial hardship, and other conditions that make child health insurance unavailable or unaffordable for the family.

Children in HUSKY A normally receive a renewal notice 60 days before the end of an eligibility period. A child in the family coverage group who turns 18 does not receive such a renewal notice. Instead, the family of a child turning 18 receives a notice of discontinuance 30 days prior to the end of coverage (see text box below). In that notice, the Department of Social Services (DSS) informs the family that the child is no longer eligible for cash assistance unless that child is in school. The notice goes on to suggest that the family call for medical coverage because “almost every child under the age of 19 can get medical coverage.” The family also receives a notice of disenrollment from managed care. These notices are confusing for families.

Discontinuance of coverage for 18 year olds in the family coverage group is not based on information that the child is ineligible. Rather, discontinuance is triggered automatically by the date of birth and, in some cases, data in the eligibility record that indicates the expected graduation date. As the child gets older, the Medicaid Eligibility Management System requires the DSS case worker to enter a graduation date. The worker may contact the parent or assume that the child will graduate by age 19.

Excerpts from Notice Sent to Families with Children Turning 18

To qualify for family cash assistance, a child must be less than 18 years old. Children between the ages of 18 and 19 may qualify only if they are still in high school or high school level training. The members of your family listed [above] do not meet these requirements.

Help your children keep their medical coverage

If your child under the age of 19 does not have medical coverage, call 1-800-656-6684 right away to get HUSKY Health care for your child. Almost every child under the age of 19 can get medical coverage.

If you have questions about this letter, please call your DSS caseworker.

Source: Notice obtained from Connecticut Department of Social Services, August 2010

In fact, if the child is no longer in school (full-time secondary school or equivalent level of vocational or technical training *and* expected to graduate by age 19), the child is no longer eligible in the coverage group that is used to qualify entire families for coverage in HUSKY A (F07). Parents in those families are eligible by virtue of having children under 18 or children under 19 who are in school (a remnant of old welfare rules). The DSS case worker may (but does not always) ask the family of an 18 year old to verify school enrollment and expected graduation by age 19, using a form that is sent to the family for forwarding to the school. A DSS case worker must make a determination about family coverage, then manually transfer an eligible child from one coverage group to the other. Children who are living at home but not in school or children whose parents no longer want coverage, are eligible until age 19 in the Medicaid coverage group for children (F25).

If the 18 year old is one of several children who are enrolled in family coverage, the parents and siblings' coverage continues uninterrupted when the 18 year old child alone is dropped or added to the coverage group for children (F25). If, however, the 18 year old is the only child in the family that is on HUSKY A, loss of coverage for that child means loss of coverage for the parents too.

Children who lose coverage are sometimes assumed to be over-income for other coverage groups and are placed on a Medicaid spend-down (F99). Once on a spend-down, these children must incur medical expenses that, when deducted from household income, reduce the family income to a level that qualifies for coverage. In fact, 18 year olds who live in households with income less than 185 percent of the federal poverty level (FPL) should be eligible

until they turn 19. Eighteen year olds and younger children whose family income exceeds the Medicaid income level should be referred to HUSKY B for coverage without enrollment gaps.

Children who are 19 and 20 may continue to be eligible for Medicaid. Effective April 1, 2010, they may qualify for coverage as very low income adults (income at or below 56% FPL, with no assets test, through Medicaid coverage group G02). If they are living at home and have aged out of Medicaid, they may qualify at the same low income level (56% FPL) for HUSKY coverage (F12); however, parent’s income and assets count in determining eligibility for this latter coverage group. When determining eligibility for these coverage groups, DSS case workers are supposed to assign the coverage group that is most advantageous to the client. In both coverage groups, 19 and 20 year olds are eligible for all the preventive care and medically necessary services available to other children under the age of 21 in Medicaid under the Early and Periodic Screening, Diagnostic, and Treatment Program (EPSDT).

Evidence of the Problem

Disenrollment. Using enrollment data from HUSKY A (Medicaid) and HUSKY B (CHIP), Connecticut Voices for Children created a longitudinal enrollment database for the 24-month period January 2006 to December 2007. These data were obtained from the Department of Social Services for the purpose of monitoring program and health plan performance. The database contains a month-by-month record of enrollment for each child ever enrolled in the two-year period by coverage type (A or B) and premium band (B). Gaps in coverage and loss of coverage are evident if there is no record of enrollment in either coverage type for a month or more (blank cell). The database takes into account retroactive reinstatement of coverage, so some lapses in coverage that were fixed retroactively do not appear to be gaps.

For the purpose of investigating the retention problem affecting 18 year olds, each child who was enrolled in HUSKY A in the month the 18th birthday occurred in 2006 and 2007 (January – November) was identified. Enrollment records for the following month were checked to determine whether the child was enrolled in HUSKY A or B, or not enrolled. The percentage that was not enrolled was determined. For comparison, enrollment in the month following birthdays for 10 year olds and 15 year olds was also investigated; age alone does not trigger an enrollment change for these children in the younger age groups. Additionally, enrollment in the months following 10th, 15th, and 18th birthdays for children in HUSKY B was investigated, as turning 18 does not trigger a review of eligibility in HUSKY B (CHIP).

We found that in 2006-2007, one of every six children who turned 18 (15.9%) lost HUSKY Program coverage, eight times the disenrollment rate for 10 and 15 year olds (2.1% and 2.2%) (Table 1). The disenrollment rate for 18 year olds in HUSKY A is likely to be an underestimate of the percentage that experienced a disruption in coverage, since some 18 year olds who lose coverage in the family coverage group (F07) are reinstated retroactively in family coverage or the coverage group for children (F25). Disenrollment was also lower in all three age groups in HUSKY B (6.3% for 18 year olds, compared to 5.8% for children age 10 and 6.8% for children age 15).

Table 1. Disenrollment in HUSKY A By Age Group, 2006-2007

	Not enrolled the following month ^a		
	18 years	Age groups for comparison ^b	
		10 years	15 years
Enrolled in HUSKY A in birthday month	15.9%	2.1%	2.2%

^a Enrollment in month following birthday month in January 2006-November 2007

^b Eligibility review not triggered by age

Source: Analysis of 2006-2007 enrollment data obtained from the Connecticut Department of Social Services (HUSKY A) and its enrollment broker, ACS, Inc. (HUSKY B)

Reports from families. The Department of Social Services contracts with United Way of Connecticut/2-1-1 Infoline to provide assistance by phone to families seeking information about the HUSKY Program and eligibility, or needing help with access to care. At least annually, HUSKY Infoline provides the Department with a report on the cases, including a description of call volume and call reasons by issue area. In this annual report, HUSKY Infoline also identifies the main reasons that families call when experiencing eligibility issues. Each annual report in recent years has cited “discontinuation of coverage for 18 year olds” as a leading reason for calls about eligibility in the HUSKY Program.

Calls from the families illustrate the types of problems that disruptions to coverage can cause (see text box on the following page). At the very least, callers are confused, especially when coverage for the rest of the family continues. At the worst, children who experience gaps in coverage or lose coverage do not get timely, needed care.

These reports from families suggest that DSS case workers and supervisors are not always aware that they need to manually screen 18 year olds for eligibility in new coverage categories. They may not provide the correct information to families or the HUSKY Infoline care coordinators. In many cases, coverage is reinstated after HUSKY Infoline care coordinators remind DSS workers that the children are in fact eligible.

Recent Reports from Families Whose 18 Year Olds Lost HUSKY Coverage

A mother called in August about her 18 year old daughter having lost coverage five months ago. The daughter is HIV positive. The mother can no longer afford to pay for her daughter’s medication.

A mother called in April about her son having lost coverage when he turned 18 in August last year. The DSS case worker had screened (and rescreened) him for eligibility in a Medicaid coverage group for very low income 19 and 20 year olds (F12), had determined him not eligible, and had put him on spend-down (F99).

An 18 year old student with a part-time job lost coverage in June. He was referred to Charter Oak (coverage for uninsured adults, with monthly premiums, coverage limits, and no dental coverage).

A mother called in February about her child who lost coverage in November when she turned 18. The child is in college. The DSS supervisor who was contacted said that the child is not eligible because she is in college. The supervisor said that the child had been properly screened by the case worker for a Medicaid coverage group for very low income 19 and 20 year olds (F12) and determined ineligible. The child was placed on a spend-down (F99).

An 18 year old who lost coverage three months earlier was reinstated retroactively after 12 calls from HUSKY Infoline care coordinators.

Source: Calls to HUSKY Infoline, reported by HUSKY Infoline care coordinators at recent biweekly meetings for case discussion. The meeting is a vehicle for discussing complex cases and identifying resources and strategies for resolving them. HUSKY Infoline staff invites the DSS Medical Director, DSS managed care plan liaisons, DSS training staff, and Connecticut Voices for Children health policy staff to attend.

Implications

Gaps in coverage and disenrollment can affect access to timely care. Even when reinstated retroactively, 18 year olds and their families may have delayed or skipped care that would have been too costly without the coverage. Gaps in coverage and inadvertent disenrollment can disrupt care in progress and ongoing patient-provider

relationships. The fact that one in six children lost coverage when turning 18 is evidence of a serious problem. Moreover, the findings are likely to be a significant underestimate of the problem, since the enrollment database used for the analysis takes into account retroactive reinstatement of coverage and therefore masks some gaps in coverage.

The problem of maintaining coverage for 18 year olds is not new. In fact, the cause of the problem has not changed in the years since systematic monitoring and reporting to DSS began. The Medicaid Eligibility Management System that DSS case workers use to process eligibility determinations is 20 years old. Over the years, case workers have had to deal with manual procedures and work-arounds in order to adapt this outdated system to current eligibility processing rules and needs. Due to technical limitations in the DSS computer systems, special data entry procedures must be performed to keep 18 year olds in Medicaid.

For the child and the family, the most advantageous eligibility group is the family coverage group (F07), with coverage for the parents and one-year's transitional coverage for all family members if household income exceeds the Medicaid limit due to earnings. If the child is in school, proof of school enrollment may be requested to verify continuing eligibility in this coverage group. If the child is no longer in school, coverage should continue without interruption in the Medicaid coverage group for children (F25) until age 19. When the child turns 19, the child will need to reapply for Medicaid in coverage groups for very low income 19 to 20 year olds (F12) or very low income adults (G02).

In an effort to modernize the system, DSS is currently developing new electronic front-end procedures, including an online application. Even under "modernization" however, processing for 18 year olds will require a case worker to respond to a special alert, re-screen for eligibility and process the child as a new case in a new coverage group. This means that 18 year olds and others with age- or time-related eligibility periods (e.g., children turning 1, pregnant women) will continue to be at risk for losing coverage.

Recommendations

- DSS should immediately revise notices and procedures for alerting families with children turning 18.
- DSS should immediately develop and implement procedures for continuing coverage of 18 year olds, pending notification of or receipt of proof of school enrollment.
- DSS should immediately develop and implement procedures to hold case workers and supervisors accountable for disenrollment of 18 year olds.
- Community-based HUSKY outreach workers and statewide CHIPRA-funded HUSKY outreach workers should identify families with 18 year olds who are at risk for losing coverage and reach out to their families with information about how to avoid gaps in coverage or disenrollment.

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