



HUSKY Program Enrollment Dynamics: Coverage Continuity, Gaps in Coverage and Retention Executive Summary

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In spite of great improvements in children's health insurance coverage rates since the implementation of programs and policies such as Children's Health Insurance Program (CHIP), many Medicaid- and CHIP-eligible children and families remain uninsured. The extent of this problem is largely dependent on two factors: how successful a state is at enrolling eligible children and families who are uninsured (take-up), and how well a state keeps eligible children and families enrolled (retention). Frequently, state efforts to tackle the problem of uninsurance are framed in terms of take-up while the importance of retention is often underestimated and overlooked. Connecticut has been identified as a state that has a problem with retention of Medicaid- and CHIP-eligible children.¹ The scope of the problem is evident in the findings from this study of enrollment dynamics in Connecticut's HUSKY Program:

- **Many new enrollees experienced gaps or lose HUSKY coverage in the first year.** Despite having just been determined eligible, about one of every four new enrollees lost coverage in the first year, a disruption that undoubtedly affected access to needed care. Some of those who lost coverage re-enrolled within six months, suggesting that they may have been eligible during the gap in coverage.
- **Many HUSKY enrollees experienced gaps or lost HUSKY coverage at renewal.** Almost one in five who managed to stay enrolled for a year lost coverage at the time of they were to renew their coverage. This problem was particularly acute for children in HUSKY B (45% with a gap or loss of coverage). By 18 months after enrolling in the program, fully half the new enrollees had experienced a gap or lost coverage altogether. Many of those who lost coverage were probably eligible all along since a large proportion returned to the program in six months or less.
- **Retention rates varied across district offices.** If policies and procedures for eligibility determination and renewal are not applied uniformly by workers in the district offices and enrollment broker, coverage continuity and retention may be affected by administrative errors and delays.

In order to reduce the number of uninsured children and families, Connecticut must take steps to keep eligible individuals enrolled. The results of this study and others suggest an urgent need for addressing the factors that contribute to loss of coverage, especially at the time of renewal.² The Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) provides Connecticut with opportunities and fiscal incentives to increase enrollment in Medicaid and CHIP by adopting policies that reduce administrative barriers to getting and keeping coverage.

Recommendations

- **Unify and centralize the eligibility determination and renewal processes for HUSKY A and B, and increase accountability for retention at all administrative levels.** Unifying eligibility determination processes and income counting rules could go a long way towards preventing the all-too-frequent

gaps in coverage and loss of coverage at the time of renewal. Moreover, centralization would improve quality and accountability for retention in the HUSKY Program. Retention rates would likely improve with adoption of an online application, development of a sure way to capture changes of address, and implementation of electronic exchanges of data between all entities that process renewals. Under CHIPRA, states with uniform eligibility determinations processes for separate Medicaid and CHIP programs may be entitled to bonus funds from the federal government.

- **Restore 12-month continuous eligibility.** Guaranteeing 12-months' coverage reduces the risk of losing coverage and disrupting access to needed care. Under CHIPRA, adoption of 12-month continuous eligibility for children in HUSKY A and B would help to make Connecticut eligible for bonus funds from the federal government.
- **Align eligibility and enrollment cycles for family members.** Research suggests that providing health insurance to parents increases coverage for eligible children. Toward this end, Connecticut expanded coverage for parents by aligning income eligibility for parents (185% FPL for HUSKY A), effective July 1, 2007. This action had an immediate, measurable effect on new enrollment of children and their parents. It makes sense to align redetermination cycles for entire families in order to prevent inadvertent loss of coverage when parents or other family members come up for renewal.
- **Adopt administrative or "ex parte" renewal.** Reducing administrative barriers to maintaining coverage is key to reducing the number of uninsured children and children with discontinuous coverage. Ex parte renewals are administrative renewals based on agency review of existing data pertaining to eligibility, without requiring families to submit renewal applications. HUSKY Program eligibility determinations and renewals are made by 12 district offices and three regional processing units (HUSKY A) and an enrollment broker (HUSKY B), making it imperative that the processes are well-coordinated to ensure seamless coverage for children. Under CHIPRA, states are not only allowed but rewarded for adopting methods for administrative renewals that help to ensure continuing coverage for children who are eligible based on income data held by the state.

Connecticut Voices for Children is a non-profit organization that conducts research and policy analysis on children's issues. This report on enrollment dynamics was prepared by Mary Alice Lee PhD, Joe Hero MPH, and Sharon Langer JD under a contract between the Connecticut Department of Social Services and the Hartford Foundation for Public Giving, with a grant from the Hartford Foundation to Connecticut Voices and additional funding from the Center on Budget and Policy Priorities. This publication does not express the views of the Department of Social Services the State of Connecticut. The views and opinions expressed are those of the authors. A detailed report can be found at: www.ctkidlink.org under Publications—Health and Mental Health.

¹ Sommers B. Why millions of children eligible for Medicaid and SCHIP are uninsured: Poor retention versus poor take-up. *Health Affairs* 2007; 26(5): w560-w567 (published online 26 July 2007; 10.1377/hlthaff.26.5.2560).

² Other studies of retention in the HUSKY Program: State of Connecticut Department of Social Services. HUSKY retention diagnostic: Final report (PowerPoint presentation). Hartford, CT: DSS, August 2, 2001. Children's Health Council. HUSKY retention: helping families keep health coverage. Hartford, CT: Children's Health Council, November 2001. Legislative Program Review and Investigations Committee. Medicaid eligibility determination process. Hartford, CT: Connecticut General Assembly, December 2004.