



## HUSKY Program Coverage for Infants: Maintaining Coverage When Babies Turn One

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### Key Findings

In Connecticut, babies who are enrolled in HUSKY A (Medicaid) are at risk of losing coverage when they turn one. That birthday prompts an eligibility review at the end of a federally-guaranteed year of continuous coverage. Loss of coverage at one is a long-standing problem that can disrupt access to needed health care for very young children.

In 2008-2009, babies in the Medicaid coverage group for newborns were most at risk for losing coverage: over 40 percent were not enrolled in the month following their first birthdays. This finding suggests that the timing, notices, and renewal processes associated with the Medicaid coverage group for newborns affect continuing enrollment. In comparison, the disenrollment rates are far lower for 5 and 10 year olds (2.3% and 2.0%) whose birthdays do not prompt an eligibility review.

In order to address the problem, we recommend that the Department of Social Services:

- Revise notices and procedures for alerting families with children turning one.
- Develop and implement procedures for continuing coverage of one year olds in all cases where other family members are enrolled and in all other cases until the eligibility review is complete.
- Develop and implement automated procedures and staff training to ensure that eligible infants do not lose coverage when they turn one.

In addition, we recommend that community-based HUSKY outreach workers:

- Identify families with infants who are at risk for losing coverage.
- Reach out to families with infants with information about how to avoid gaps in coverage or disenrollment.

In Connecticut, babies who are enrolled in HUSKY A (Medicaid) are at risk of losing coverage when they turn one. For most babies, that birthday prompts an eligibility review at the end of a year of continuous coverage. The notice that the Department of Social Services sends to their parents is confusing and might lead some parents to conclude that their infants are no longer eligible for coverage. This problem is long-standing and can disrupt access to needed health care for very young children.

### Medicaid Eligibility for Infants

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 (\$41,348 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.<sup>1</sup> Parents of children in HUSKY B are not eligible for coverage.

In HUSKY A (Medicaid), babies born to mothers who were Medicaid-eligible at the time of the birth are automatically eligible for Medicaid coverage under federal law and are quickly enrolled in the HUSKY Program.<sup>2</sup> Federal law guarantees that these babies are covered for the first year of life, regardless of changes in the mother's income. In Connecticut, many of these babies are covered in a Medicaid coverage group for newborns (known by the Department's code F10).<sup>3</sup> Some babies are enrolled in other coverage groups, such as the family (F07) or low income child (F25) groups.

For babies in the Medicaid coverage group for newborns (F10), turning one triggers a review of eligibility for that coverage group. The timing, notices, and process can be confusing for families.

- **Timing:** Thirty days in advance of the date on which an infant will lose coverage (last day of the birthday month), the Department sends a notice to the family. Because the eligibility review for newborn coverage is timed to coincide with the baby's birthday, the date is unlikely to align with the eligibility redetermination cycle for the rest of the family.
- **Notices:** The Department informs the family that the child is no longer eligible for coverage because "you are not the right age to be eligible for this program" (see text box).

### **Excerpts from Discontinuance Notice Sent to Families with Infants**

Notice of Discontinuance  
F10 HUSKY A for Newborn Children

Your medical assistance will be discontinued on [date]. We are taking this action for the following reason(s):

**THERE ARE NO ELIGIBLE PEOPLE IN YOUR HOUSEHOLD**  
Policy Reference: 2000 8080.20 8540.25

**YOU ARE NOT THE RIGHT AGE TO BE ELIGIBLE FOR THIS PROGRAM.**  
Policy reference: 2525 8080.20 8540.15

[child's name here]

You can request a hearing if you disagree with this decision. Please read the last two pages of this notice for more information about your hearing rights.

#### **IMPORTANT INFORMATION TO HELP YOUR CHILDREN KEEP THEIR MEDICAID COVERAGE**

**\*\*\* PLEASE READ \*\*\***

**UNDER CONNECTICUT'S MEDICAL PROGRAM CALLED HUSKY (HEALTHCARE FOR UNINSURED KIDS AND YOUTH), IN ALMOST EVERY CASE, CHILDREN UNDER THE AGE OF NINETEEN (19) CAN RECEIVE MEDICAL COVERAGE.**

**IF, AS A RESULT OF THIS NOTICE (OR FOR ANY OTHER REASON), YOUR CHILD UNDER THE AGE OF NINETEEN (19) DOES NOT HAVE MEDICAL COVERAGE, PLEASE CALL 1-800-656-6684 RIGHT AWAY TO RECEIVE HUSKY HEALTHCARE FOR YOUR CHILD.**

The Department then sends another notice informing the family that the baby has been disenrolled from managed care. The Department does not send a pre-filled 4-page HUSKY renewal form in a HUSKY envelope, as it does for older children, but sends instead a blank 8-page form that is used to apply for Medicaid and other public assistance programs.<sup>4</sup>

- **Additional documentation:** The redetermination form asks for information that is not typically required from families applying for HUSKY coverage only, including information and documentation on income and assets (cash on hand, bank accounts, life insurance policies, annuities, prepaid funeral contracts, motor vehicles, real estate, expectation of inheritance or settlement of a lawsuit, etc.). Additionally, case workers sometime require that additional documentation, such as a birth certificate, is submitted along with the application.<sup>5</sup>

Many families manage to complete the renewal process to maintain their babies' eligibility. These babies are added to the family coverage group that includes their parents and siblings (F07) or enrolled in the Medicaid coverage group for children (F25). For them, no gap in coverage or loss of coverage occurs.

In HUSKY B (CHIP), there is no coverage group for newborns that prompts review of eligibility and change in coverage group at the end of the first year of life. Families who apply for coverage for uninsured newborns within 30 days of the birth will be covered as soon as one day after the enrollment broker receives the completed application. State law requires that the HUSKY Program waive the first four months of premiums that some families in HUSKY B might otherwise have to pay, depending on income. As with other children in HUSKY B, eligibility is reviewed at least annually or when family circumstances change.

## 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 2008 to December 2009. 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 eliminated retroactively do not appear to be gaps. This feature of the longitudinal database may result in underestimates of the frequency and length of gaps in coverage.

For the purpose of investigating the retention problem affecting one year olds, each infant who was enrolled in HUSKY A and B in the month the first birthday occurred in January 2008 through September 2009 was identified. Enrollment records for the following month and for the third month after the birthday 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 5 year olds and 10 year olds was also investigated; for these school-aged children, age alone does not trigger a redetermination of eligibility. Additionally, enrollment in the month following first birthday for babies in HUSKY B was investigated; while age alone does not trigger an eligibility review, reaching the end of one year of coverage will.

We found that overall in 2008-2009, over 40 percent of babies who were in the Medicaid coverage group for newborns (F10) lost coverage in the month following their first birthdays, compared with about 6 percent of babies in other Medicaid coverage groups or HUSKY B (Table 1). Overall one of every five babies (21.8%) lost HUSKY Program coverage when they turned one, ten times the disenrollment rate for 5 and 10 year olds. These findings suggest that the timing, notices, and renewal processes associated with the Medicaid coverage group for newborns affect enrollment.

**Table 1. Disenrollment of Infants in HUSKY A and B, 2008-2009**

Enrolled in the birthday month <sup>a</sup>	Coverage group	Total	NOT enrolled in the month following the birthday
First birthday	HUSKY A newborn	13,512	5,621 (41.6%)
First birthday	HUSKY A all other groups <sup>b</sup>	15,895	915 ( 5.8%)
First birthday	HUSKY B	758	49 ( 6.5%)
Fifth birthday <sup>c</sup>	HUSKY A and B	23,636	535 ( 2.3%)
Tenth birthday <sup>c</sup>		22,119	442 ( 2.0%)

<sup>a</sup> Enrolled in HUSKY A or B the month the first birthday occurred, January 2008-September 2009.

<sup>b</sup> Includes 9,780 infants in the family coverage group (F07); 4,485 infants in the child coverage group (F25); and 2,388 infants in other coverage groups.

<sup>c</sup> Eligibility review not triggered by age

**Source:** Analysis of 2008-2009 enrollment data obtained from the Connecticut Department of Social Services (HUSKY A) and its enrollment broker, ACS, Inc. (HUSKY B)

When checking for reenrollment after a gap in coverage, we found that enrollment in all three age groups declined (just over 2 percent each year in each age group) with one exception: In 2009, enrollment of 1 year olds increased about 2 percent by the third month, suggesting that some babies were re-enrolled after gaps in coverage, rather than retroactively reinstated back to the first birthday.

**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, call reasons by issue area, and leading reasons that families call when experiencing eligibility issues.

Calls from the families illustrate the types of problems families have with maintaining coverage when infants turn one (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.

## Implications

Discontinuance of coverage for one year olds in the newborn coverage group is not based on information that the child is ineligible. Rather, discontinuance is triggered automatically by the end of coverage that is required by law during the first year of life.

The fact that four of every ten infants in the newborn coverage group lost coverage when turning one 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 may be particularly acute for babies born to undocumented mothers who are not themselves eligible for coverage and for babies whose families do not read English well enough to understand the notices.

Gaps in coverage and disenrollment can affect access to timely care. Even when reinstated retroactively, families may have delayed or skipped infant health 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.

## Recent Calls to HUSKY Infoline from Families Whose Babies Lost HUSKY Coverage

A mother called about her baby having lost coverage when he turned one. The family received a renewal form for SNAP (food stamps) but not for HUSKY coverage.

A mother called to report that her baby lost coverage even though the rest of the family is still enrolled in the HUSKY Program. She discovered that the baby is not insured when she tried to fill a prescription for antibiotics for him.

A mother called about her baby having lost coverage when she turned one. The DSS case worker will not reinstate the infant's coverage without a birth certificate.

A mother called seeking help getting immunizations for her baby who had lost coverage when she turned one.

A mother called about receiving hospital bills for her baby's birth. The baby was in newborn coverage for 16 months and the DSS case worker will not renew the coverage without proof of the baby's citizenship and identity.

A mother called about her baby having lost coverage when he turned one. The family was over-income for HUSKY A but was not referred to HUSKY B for coverage.

**Source:** Selected calls to HUSKY Infoline in the past 18 months, as reported by HUSKY Infoline care coordinators at biweekly meetings for case discussion.

The problem of maintaining coverage for one year olds is not new. In fact, the notices and procedures that contribute to the problem have not changed appreciably in the years since systematic monitoring and reporting to the Department began. Addressing the problem will require changes to the 20-year old Medicaid Eligibility Management System that is used to process eligibility determinations. It will also require adoption of special procedures, with dedicated effort at all levels to managing these particular redeterminations. The Department of Social Services has begun work to address the problem.

In an effort to modernize the system, DSS is also developing new electronic front-end procedures, including an online application. Even under "modernization" however, families with babies will have to complete the redetermination process in order to maintain coverage in a new coverage group. One year olds and others with age- or time-related eligibility periods (e.g., children turning 18, pregnant women) will continue to be at risk for losing coverage.

### Recommendations

- The Department should revise notices and procedures for alerting families with children turning one.
- The Department should develop and implement procedures for continuing coverage of one year olds in all cases where other family members are enrolled and in all other cases until the eligibility review is complete.
- The Department should develop and implement automated procedures and staff training to ensure that eligible infants do not lose coverage when they turn one.
- Community-based HUSKY outreach workers should identify families with babies 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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<sup>1</sup> There are exceptions to the 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 families of recently insured children.

<sup>2</sup> Mothers who are eligible at the time they give birth are either covered during pregnancy in HUSKY or fee-for-service Medicaid or are eligible for coverage of their hospital bills if they qualify for emergency Medicaid.

<sup>3</sup> In recent months, about 14,000 infants on average were enrolled in the Medicaid coverage group for newborns (F10). This number is up considerably since 2008 when just 6,267 babies were enrolled in F10. The increase is due to EMS modifications in 2007 and subsequent instructions to eligibility staff that directed them to keep babies in the F10 coverage group, rather than other family or child coverage groups.

<sup>4</sup> Application for Redetermination of Eligibility W-1ER. Not available online at [www.ct.gov/dss](http://www.ct.gov/dss) where other applications are posted.

<sup>5</sup> Information based on calls to HUSKY Infoline from families seeking application and renewal assistance.