



Gaps or Loss of Coverage for Children in the HUSKY Program: An Update

March 2015

KEY FINDINGS

Continuous health insurance coverage is an important measure of *quality* in the HUSKY Program, ensuring uninterrupted access to preventive care and treatment for acute and chronic conditions. For a variety of reasons, however, children often lose their HUSKY coverage for periods of time, with the result that eligible children may go without needed health care. This study investigated gaps or loss of HUSKY coverage over the course of one year, beginning in January 2013, for 291,000 children under 19 who were enrolled in HUSKY A and B, comparing results to 2010 and 2012. Findings:

- **Coverage continuity:** Most children (86.5%) who were enrolled in January 2013 were enrolled for the entire year, without gaps in coverage. Compared with 2012, the percentage of children with gaps or loss of coverage (13.5%) did not change. Significantly more children in HUSKY A were continuously enrolled than children in HUSKY B where the percentage of children with gaps in coverage increased with premium band (family income and premium cost-sharing).
- **Gaps in HUSKY A and B coverage:** Among children enrolled in January *and* December 2013, about 4 percent had a gap in coverage that averaged two to three months. It is likely that these children were *eligible* when they lost coverage.
- **Gaps associated with age-related eligibility redetermination:** As was the case in 2010 and in 2012, babies turning one and adolescents turning 18 were most likely to have experienced gaps or loss of coverage (20.9% of babies and 23.2% of adolescents, compared with 12.5% of other children).

We recommend that the Department of Social Services and policy makers take the following steps to ensure ongoing coverage for eligible children:

- Adopt passive renewal for HUSKY coverage;
- Ensure ongoing coverage for children with age-related eligibility redeterminations;
- Restore 12-months' continuous eligibility;
- Coordinate coverage for families that move between the HUSKY Program and commercial health insurance options available through *Access Health CT*, Connecticut's health insurance marketplace; monitor coverage continuity.

Introduction

In HUSKY A (Medicaid) and HUSKY B (Connecticut's separate Children's Health Insurance Program), families with HUSKY Program health insurance for their children must renew coverage at least annually and more often if family circumstances (e.g., income, family size) change. These families are responsible for timely submission of complete HUSKY applications, including information and documentation that is required to establish ongoing eligibility. Families with children in HUSKY B are responsible for making timely premium payments.¹ The Department of Social Services is responsible for sending out timely reminder notices, sending out pre-filled HUSKY Program applications for signature, and processing renewal applications within 30 days (for HUSKY B--CHIP) or 45 days (for HUSKY A--Medicaid). If needed, families can get in-person assistance with renewal from community-based health and social services providers. Families can also call the HUSKY Program enrollment broker or the Department of Social Services to check on the status of the renewal.²

The risk of losing coverage increases at the time of renewal and whenever enrollees must provide additional information, even for eligible children and adults. Medicaid programs nationwide have long been plagued with "churning," that is, people going on and off coverage during the year. Undoubtedly, there are some people who elect to drop publicly-financed coverage when they obtain other coverage. Other families experience changes that directly affect ongoing eligibility (e.g., moving out of state, going over income, or changing household size), even temporarily. Some lose coverage, however, because they fail to complete the renewal application process, in part because they are unaware of the need to renew periodically or are simply confused by the notices, paperwork, or procedural complexity.³ Administrative barriers (e.g., delayed processing, lost paperwork) add to the risk of losing coverage. In programs with premiums and other cost-sharing, like HUSKY B, coverage may not be affordable at times. Thus, many eligible individuals lose coverage throughout the year.

Certain administrative requirements put some children at greater risk than others for losing coverage. Age alone triggers a review of Medicaid eligibility for babies turning one and adolescents turning 18.^{4, 5} Several years ago, Connecticut Voices for Children reported significant risks for gaps and loss of coverage at age one and 18, due at least in part to administrative complexities associated with renewing coverage. Age-related renewals can be unexpected when they do not coincide with renewal for other household members. Additionally, the Department's

Notice to parents with *baby*

Your child listed below is turning one year old. We did not receive the completed HUSKY review form for this child. If you do not send in the completed form, the child's HUSKY medical coverage will end at the end of the month that the child turns one. If you still want HUSKY for your child, please call toll free 1-877-CT-HUSKY. Please note—if any of the persons in your household lose HUSKY medical coverage because their child's coverage ends, please contact 1-877-CT-HUSKY.

Notice to parents with 18 year old

Since our records show that your child is 18 or over and not in technical or high school or will not graduate by age 19, your benefits will end on the discontinue date above. If you want benefits to continue, you must contact us before this date. For cash help, if we are wrong and your child is 18 or over and in school full-time, your benefits may continue. For medical help, benefits may continue regardless of school attendance, but you must contact us.

processes for renewing coverage at age one and age 18 are not automated, so successful renewal is heavily dependent on eligibility workers for processing applications in a timely and error-free manner, especially for babies in the newborn coverage group (F10) and adolescents in the family coverage group (F07). To address the problem, the Department has revised notices to families (see text boxes above), alerted eligibility workers to the problem, and established accountability for successful renewals without gaps in coverage. The Department also supported an effort by the Connecticut Chapter of the American Academy of Pediatrics to alert providers to the risk of losing coverage when babies turn one. Through Covering Connecticut's Kids and Families, a state-wide coalition, Connecticut Voices for Children has alerted community-based providers to the problem and suggested ways to help families maintain coverage for their children.⁶

Purpose

As part of a larger project of independent performance monitoring, Connecticut Voices for Children monitors enrollment dynamics in the HUSKY Program.⁷ The purpose of this investigation was to describe coverage continuity in 2013 and to identify children that were at greatest risk for gaps in coverage. We compared results to earlier investigations using 2010 and 2012 data.

Methods

We used HUSKY Program enrollment records to identify all children under 19 (age as of December 31) who were covered by the HUSKY A (Medicaid) and HUSKY B (Children's Health Insurance Program or CHIP) in 2013. We asked three questions and used three different approaches to describing coverage continuity and gaps in coverage:

- **Coverage continuity:** Were children who were enrolled in January also enrolled for the balance of the year (12 months total)? For those who were enrolled in HUSKY A or B in January 2013, we tracked coverage by month during the remaining eleven months of 2013. Children were considered continuously enrolled if they were in HUSKY A or HUSKY B or if they changed between HUSKY A and B without a gap in coverage. We determined the percentage of children who were enrolled in January and subsequently continuously enrolled, by age and by program (HUSKY A or B) in which they were enrolled in January. We compared the findings for 2013 to coverage in 2010 and 2012.
- **Gaps in coverage for eligible children:** Did children who were enrolled in January and in December experience gaps in coverage? We identified the subset of children who were enrolled in both January and December 2013. We then determined which children were continuously enrolled for the 12 month period and which children had experienced gaps but returned to the program, suggesting that they were likely eligible when the coverage lapsed.
- **Gaps associated with age-related eligibility determinations:** Were children who turned one or turned 18 enrolled in the month following their birthdays? We identified all children who were enrolled at any time in 2013 and turned one or turned 18 in January through November. We determined which of these children were not enrolled in the month following their birthday. For comparison, we also investigated enrollment in the month following the 5th or 10th birthday when age does not trigger a redetermination of eligibility. We reported rates for loss of coverage by Medicaid coverage group in the birthday month.

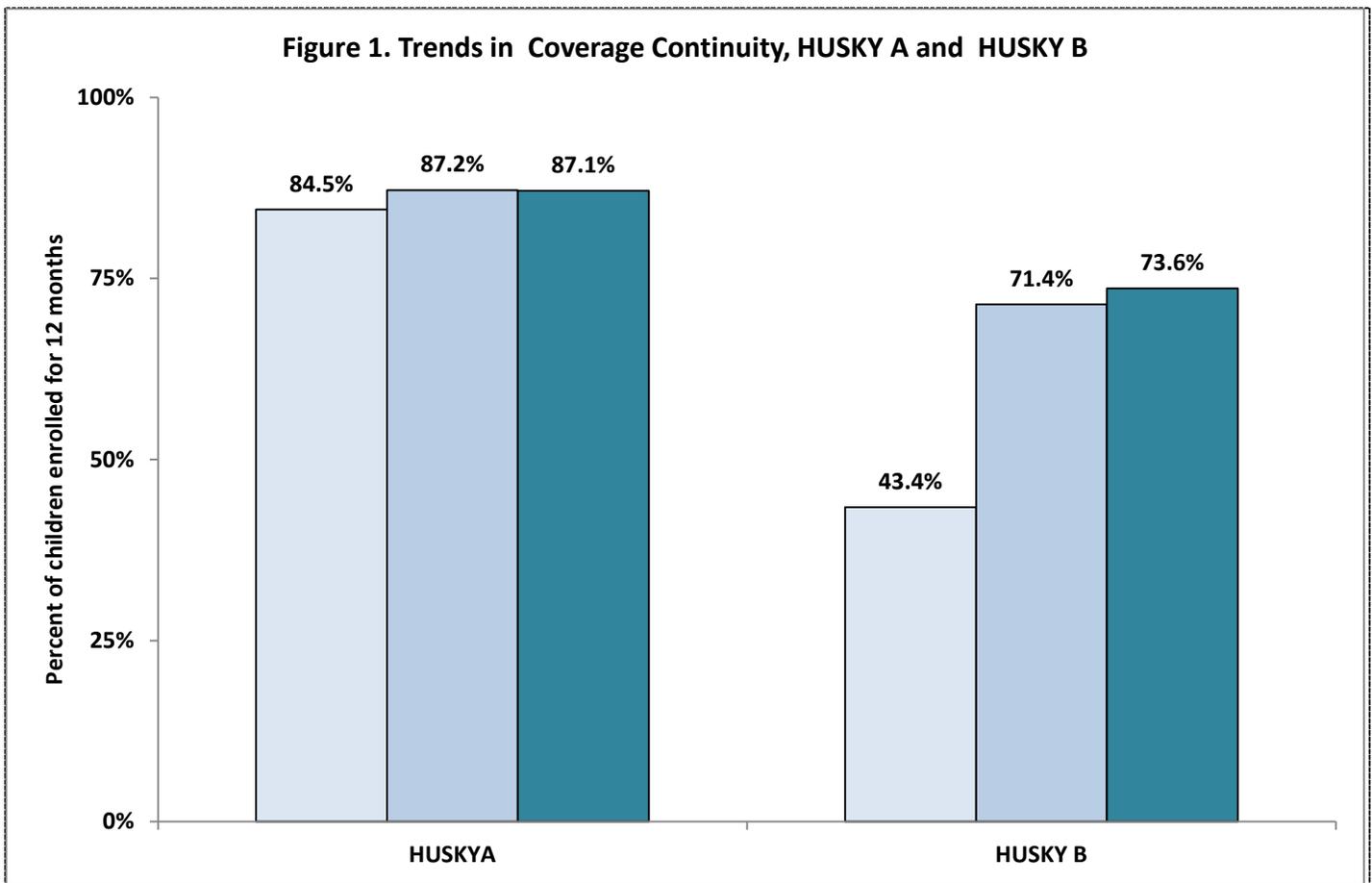
The findings are subject to several limitations. First, the data were not independently validated. Second, the reasons that a child was not enrolled could not be determined and characterized. Third, the data for 2010 (HUSKY A) and 2012 and 2013 (HUSKY A and B) include months of retroactive coverage when access to needed care may have been interrupted but appears to have been continuous in the database; thus the findings are likely to be an underestimate of the scope of the problem.⁸ Fourth, findings for HUSKY B were likely affected by improved data quality in 2012 and 2013, allowing us to count children whose coverage may have been granted retroactively but

may have appeared to be a lapse in coverage in 2010. Finally, these summary measures help for understanding general enrollment trends but do not allow for determining whether any one policy or procedure, alone or in combination, has improved coverage continuity. Nevertheless, the results shed light on enrollment dynamics and lingering challenges to quality in the HUSKY Program.

Results

Coverage continuity

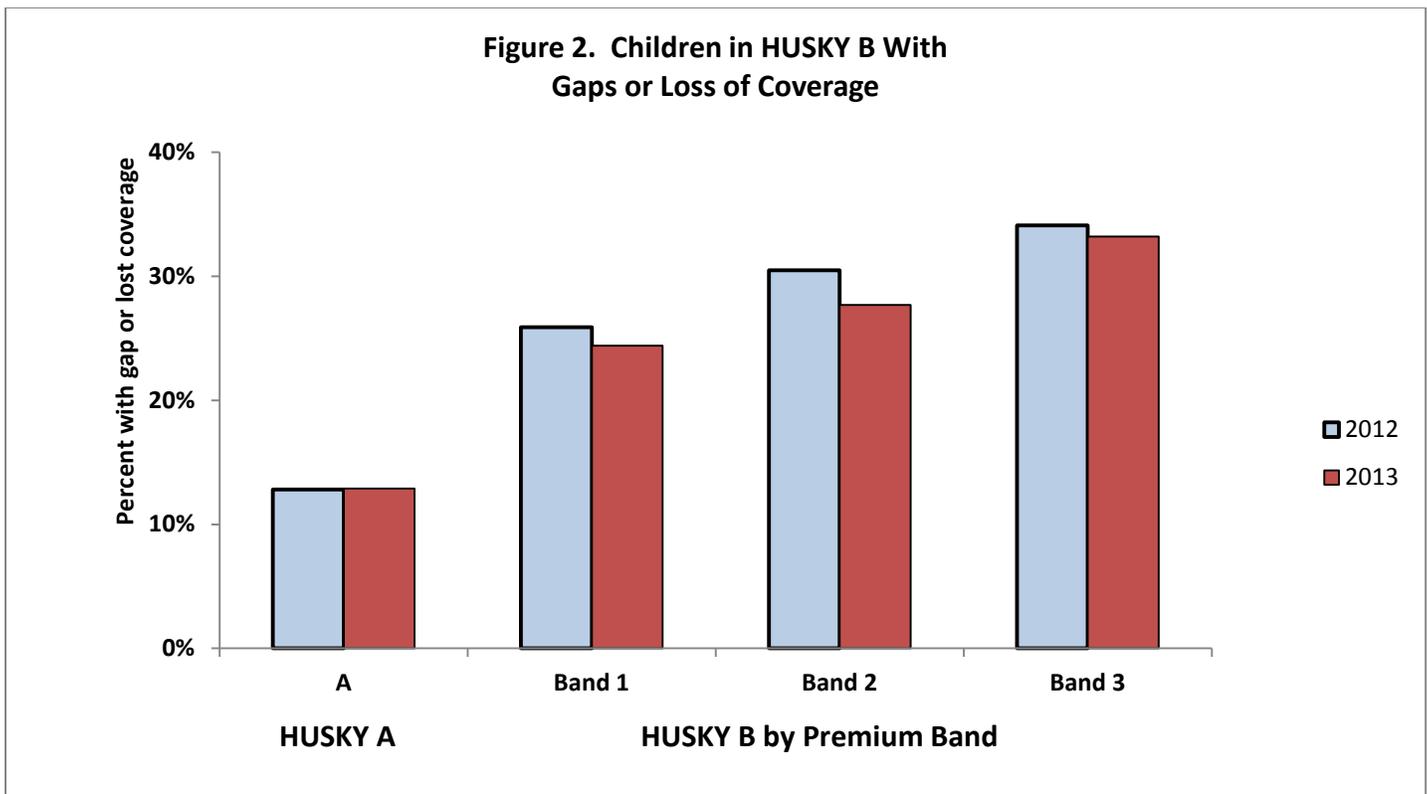
In 2013, most children (86.5%) were continuously enrolled throughout the year (Figure 1).⁹ Overall, there was no change from 2012 in the percentage of children with gaps in coverage. In 2013, as in the previous year, about seven of every 100 children experienced a gap or loss of coverage. Significantly more children were continuously enrolled in HUSKY A than in HUSKY B. Just over 1 percent of children were enrolled in both HUSKY A and HUSKY B during the year.



Note: Children were continuously enrolled in January in HUSKY A or B and were enrolled for all the following 11 months in the calendar year, including children who changed between A and B without gaps in coverage. HUSKY B enrollment data quality improved after 2010 and no doubt contributed to the appearance of a significant improvement in retention between 2010 and 2012.

Source: Connecticut Voices for Children analyses of enrollment data from the Connecticut Department of Social Services.

As in 2012, the risk of losing coverage was greater overall for children in HUSKY B (Figure 2).¹⁰ Children who began the year in HUSKY B were much more likely than children in HUSKY A to have lost coverage for a month or more. The risk of losing coverage increased for children in the B premium band (higher family income level and cost-sharing). In 2013, the percentages of babies and adolescents who lost coverage during the year were greater for children in HUSKY B than HUSKY A.¹¹



Note: Children were continuously enrolled in January in HUSKY A or B and were enrolled for all the following 11 months in the calendar year, including children who changed between A and B without gaps in coverage. Data for 2010 are not shown because of improvements in HUSKY B enrollment data quality for 2012 and 2013.

Source: Connecticut Voices for Children analyses of enrollment data from the Connecticut Department of Social Services.

Gaps in Coverage for Eligible Children

Among children who were enrolled in January 2013, 90 percent were also enrolled in December 2013. The vast majority of them (95.9%) were continuously enrolled; only about 4 percent had gaps in coverage that year. The average period of enrollment for those who did have gaps in coverage was 9.5 months (range: 9.0 to 9.7). The percentages of one-year olds and 18 year olds who had gaps in coverage (7.0% and 5.6%, respectively) were higher than the rates for all other age groups. The fact that these children with gaps were enrolled in January and December, and enrolled for at least nine months on average, suggests that the gaps in coverage occurred when eligible children lost coverage, including eligible one and 18 year olds who were at even greater risk for loss of coverage.

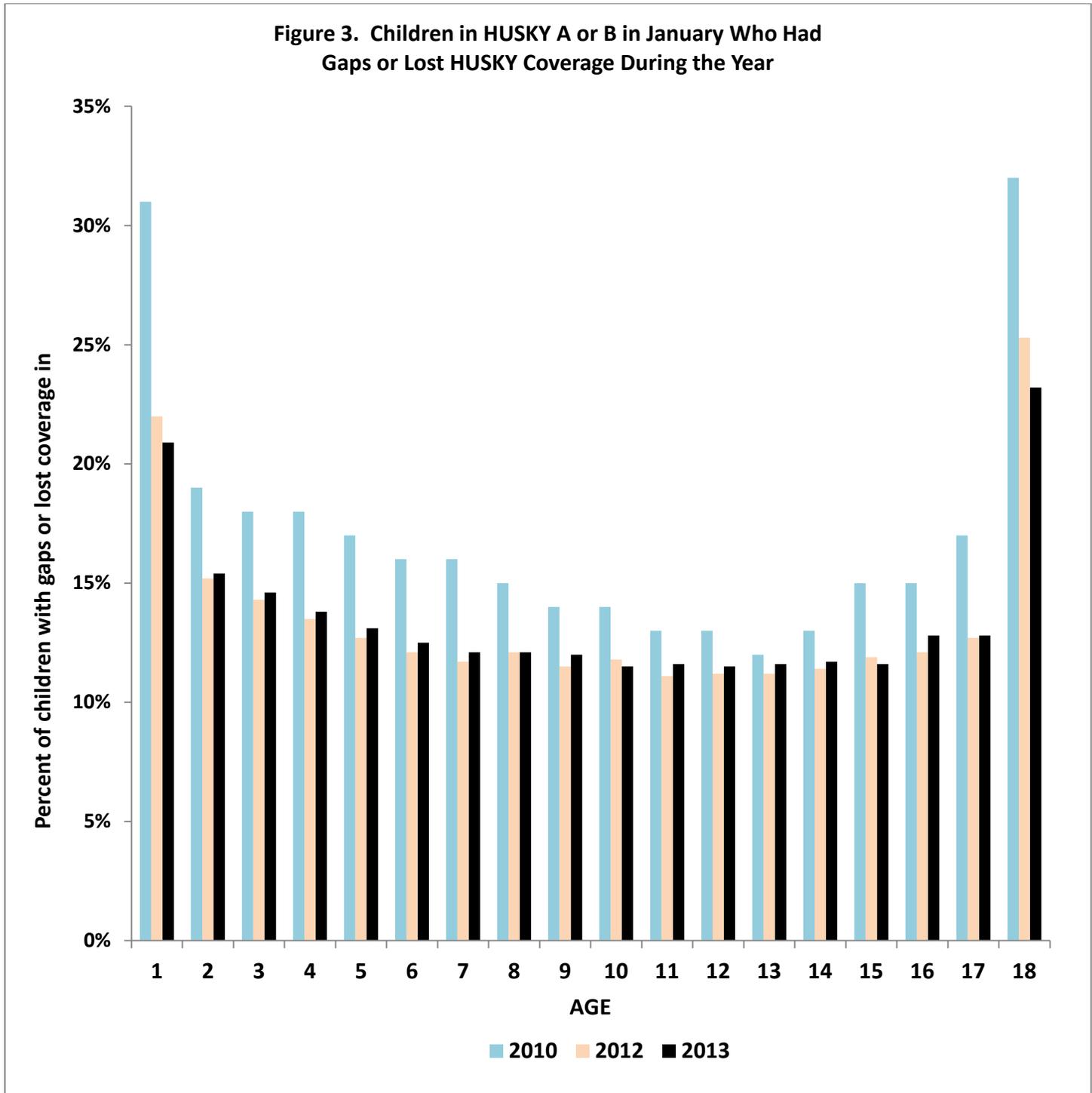
Gaps Associated with Age-related Eligibility Determinations

Overall, about 12 to 13 percent of children 2 to 17 had gaps or lost coverage in 2013, unchanged from 2012 but down from 15 percent in 2010 (Figure 3). As in 2010 and 2012, the risk of losing coverage was greatest for children with age-related eligibility redeterminations:

- **Babies turning one:** More than one of every five babies who turned one while enrolled in HUSKY A or B in 2013 (20.9%) had gaps or lost coverage during the year. The percentage of babies who lost coverage during 2013 was essentially unchanged from 2012, though much improved over 2010.
- **Adolescents turning 18:** More than one in four older adolescents (23.2%) lost HUSKY A or B coverage at some point in 2013. The percentage of 18 year olds who lost coverage during 2013 was slightly less than in 2012 and greatly improved over 2010.

Age-related eligibility redeterminations affect coverage immediately after the birthday month, especially for children in certain Medicaid coverage groups. The greatest risk for babies is associated with end of one-year’s guaranteed coverage in the Medicaid coverage group for newborns (F10): Nearly 2,400 babies in that coverage group (22.6%) were not enrolled in the month following the first birthday in 2013, compared with less than two percent of babies in other coverage groups. The greatest risk for adolescents turning 18 is in the Medicaid family coverage group (F07): About 800 adolescents in that coverage group (9.5%) were not enrolled in the month following the 18th birthday, compared with less than three percent of older adolescents in other coverage groups. In contrast, just 1 percent of children turning five or ten lost coverage in the month after their birthdays, and there was very little variation in that rate across coverage groups.

Figure 3. Children in HUSKY A or B in January Who Had Gaps or Lost HUSKY Coverage During the Year



Source: Connecticut Voices for Children analysis of enrollment data from the Connecticut Department of Social Services.

Recommendations

Maintaining health insurance coverage is key to obtaining timely and appropriate health care. Gaps in coverage interrupt access to preventive services and ongoing care. In partnership with key stakeholders and community-based organizations, the Department of Social Services and policy makers should take the following steps to ensure ongoing coverage for eligible children in the HUSKY Program:

- **Adopt passive renewal for HUSKY coverage.** “Passive renewal” is an approach to renewing coverage based on available information in the state’s databases or collected in the course of renewing other benefits such as food stamps. Children are determined eligible based on the administrative data and their families are asked to verify that the information is up-to-date and correct. Some information need never be updated, such as birth date, and can be pre-filled in renewal applications that are sent out for verification and signature.
- **Ensure ongoing coverage for children with age-related eligibility redeterminations.** While steps taken after 2010 improved retention for babies turning one and older adolescents turning 18, data show that there is an ongoing problem related to confusing notices and administrative procedures that affects renewal. Together with its community-based partners, the Department should resume outreach to increase awareness of the renewal requirement and offer assistance to families. The Department should also adopt procedures that ensure ongoing coverage until the family verifies eligibility and should intensify quality improvement and accountability measures adopted after the problem was identified several years ago.
- **Restore continuous eligibility for HUSKY coverage.** “Continuous eligibility” is a policy that guarantees 12-months’ coverage *regardless* of changes in household income or family composition that might otherwise affect eligibility. Currently, eligibility redeterminations are conducted annually *or more often* (if the family reports changes in income, for example). Continuous eligibility extends coverage to a child or adult for the balance of the one-year period even if the reported changes would have affected eligibility in the absence of such a policy. Connecticut had this policy until 2003. Today, 33 states offer continuous eligibility for children (23 states in Medicaid and CHIP; 10 states in CHIP only).¹²
- **Coordinate coverage between HUSKY A and B and health insurance marketplace options and monitor coverage continuity.** Income fluctuations affect eligibility for the various options for affordable coverage. Renewals and redeterminations of eligibility jeopardize ongoing coverage. An updated Medicaid eligibility management system, slated for 2016, and integration of eligibility management procedures will go a long way toward reducing loss of coverage. Monitoring coverage continuity across coverage options is key to identifying and addressing coordination problems.

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¹ In HUSKY B (Connecticut's CHIP program) there is no premium for family of three with annual household income between \$36,130 and \$45,895. Families with income between \$45,895 and \$58,590 pay \$30 per month per child (\$50 per month per family). Families with income over \$58,590 pay an unsubsidized premium rate of \$314 per month per child (no family maximum). There are nominal co-payments required for some services.

² Acting on a recommendation from the Governor, the Connecticut General Assembly eliminated funding for United Way/2-1-1's HUSKY Infoline, effective December 31, 2013.

³ Conclusion based on calls to 2-1-1/HUSKY Infoline for information and assistance with maintaining coverage in the HUSKY Program.

⁴ **Babies turning one:** Under federal regulations, babies born to Medicaid-eligible mothers are eligible for uninterrupted coverage during the first year of life. Families must reapply for coverage on or before the first birthday to prevent gaps. Results of a study using enrollment data from 2008-09 showed that over 40 percent of babies in the newborn coverage group were not enrolled in the month following the first birthday. Since these findings were reported in 2011, the Department of Social Services has improved its administrative procedures for discontinuing newborn coverage, revised notices to families, and increased worker accountability for coverage continuity. See: Connecticut Voices for Children. HUSKY Program Coverage for Infants: Maintaining Coverage When Babies Turn One. May 2011. Available at: www.ctvoices.org. Presented to Medicaid Managed Care Council May 13, 2011. **Adolescents turning 18:** Children who qualify for coverage in HUSKY A or HUSKY B are eligible until the age of 19. After national welfare reform in 1996, eligibility determinations for Medicaid and cash assistance were de-linked; however, outdated administrative procedures may jeopardize coverage for 18 year olds who are not in school. Results of a study using enrollment data from 2006-07 showed that 16 percent of adolescents were not enrolled in the month following their 18th birthdays. See: Connecticut Voices for Children. HUSKY Program Coverage for 18 Year Olds: Recommendations for Avoiding Gaps or Loss of Coverage. October 2010. Available at: www.ctvoices.org. Presented to Medicaid Managed Care Council October 8, 2010.

⁵ For further information about eligibility redetermination at age one or age 18, see: Connecticut Voices for Children. HUSKY Program Coverage for Infants: Maintaining Coverage When Babies Turn One. May 2011. Available at: www.ctvoices.org. Connecticut Voices for Children. HUSKY Program Coverage for 18 Year Olds: Recommendations for Avoiding Gaps or Loss of Coverage. October 2010. Available at: www.ctvoices.org.

⁶ Covering Connecticut's Kids and Families (CCKF) is a statewide coalition of community-based organizations that convenes periodically to share information about policy and program changes that affect coverage in the HUSKY Program. CCKF is convened by Connecticut Voices for Children and funded in part by the Connecticut Health Foundation. Department of Social Services' central office and regional office staff are active participants in the coalition.

⁷ Contract between the Connecticut Department of Social Services and the Hartford Foundation for Public Giving (contract # 064HFP-HUO-13/10DSS1001ME, 4/1/10-12/31/13), with a grant from the Hartford Foundation to Connecticut Voices for Children for the contracted reporting.

⁸ In HUSKY A (Medicaid), retroactive coverage can be granted for up to 90 days when children who were eligible incurred costs for health care services. In HUSKY B (CHIP), the Department and its contractor grant retroactive coverage for 30 days when a late renewal application and premium payment, if any, for an otherwise eligible child jeopardized continuous coverage.

⁹ The counts behind the graphic representations of findings are available upon request.

¹⁰ HUSKY B enrollment data files were comparable in 2012 and 2013 as both files were created by the Department to take retroactive coverage into account.

¹¹ About 29 percent of babies in HUSKY B in January 2013 lost coverage at some point during the year, compared with 21 percent of babies in HUSKY A. Among adolescents turning 18, 33 percent lost coverage, compared with about 23 percent of older adolescents in HUSKY A.

¹² Centers for Medicare and Medicaid Services. Continuous Eligibility for Medicaid and CHIP Coverage.

<http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Outreach-and-Enrollment/Continuous.html>.