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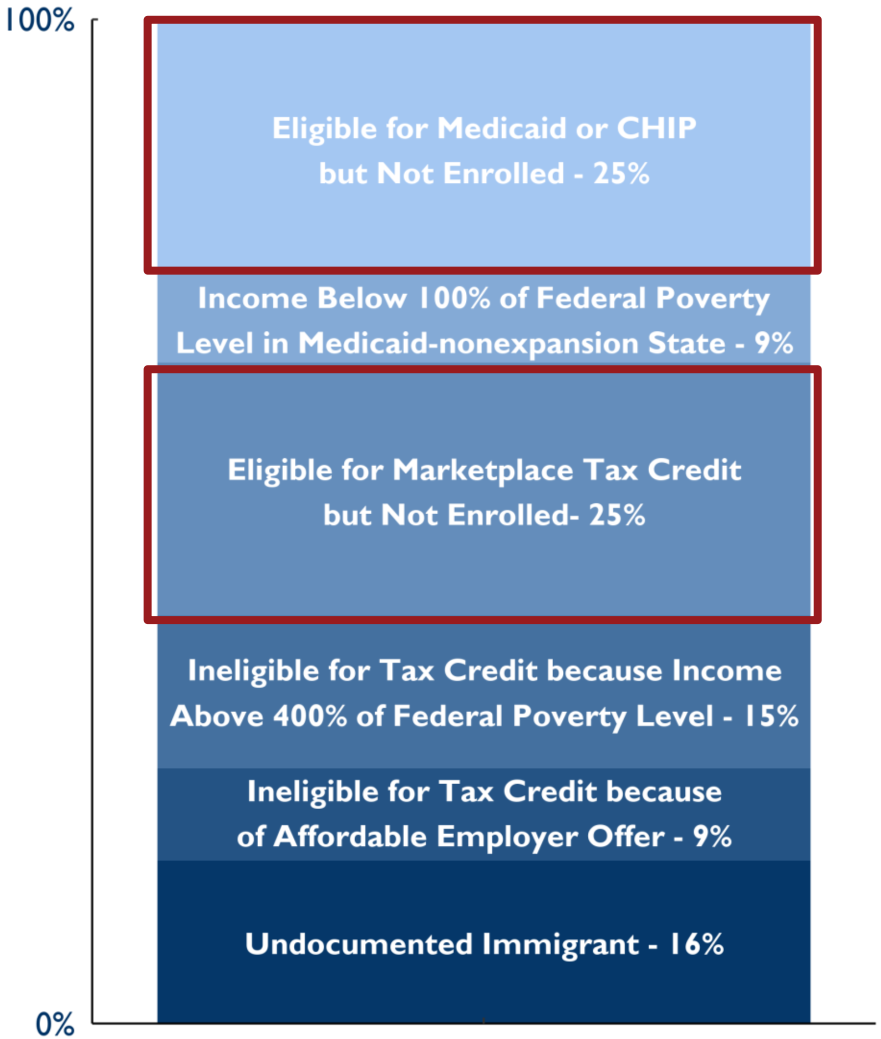
Auto-Enrollment and Related Strategies to Boost Coverage

Christen Linke Young, J.D.

Fellow, USC-Brookings Schaeffer Initiative for Health Policy

Who remains uninsured?

- In 2018 (before Medicaid expansion), Maine had 102,000 nonelderly uninsured residents
  - — 59% earning 100-400% FPL
  - — 84% in working families
- Nationally, half of the uninsured are eligible for existing coverage programs
- In 2020, 15,600 uninsured Mainers are eligible for $0 premium bronze plans



Source: Blumberg et al., 2018

What do we mean by "auto-enrollment"

- **True "push the button" auto-enrollment**
  - —Individuals become enrolled in coverage with no affirmative steps
- **Starting people on an enrollment pathway**
  - —Asking enrollment-related questions as part of other processes
  - —Using available information to pre-fill or otherwise facilitate applications
- **Individually targeted outreach**
  - —Conducting outreach to those that appear eligible

“Push the button” auto-enrollment

- **Requires:**
  - —Information sufficient to determine eligibility
  - —Coverage available without a premium
- **Extremely difficult in private coverage**
  - —Even with information suggesting $0 premium, structure of financial assistance means actual eligibility is only known at the end of the benefit year
    - Initial financial assistance award based on projected income; “reconciled” at end of year based on final year income
  - —Churn in income or other sources of coverage
  - —Some long-run options to remedy, generally at federal level

“Push the button” auto-enrollment – Medicaid

- **Some applications within Medicaid**
  - —SNAP-to-Medicaid administrative transfers at Medicaid expansion
    - States could enroll SNAP enrollees into Medicaid expansion without an application
    - Several states received waivers to pursue in 2014
    - Not currently permitted by CMS
  - —CHIPRA “Express Lane Eligibility” (ELE)
    - Since 2009, states have been permitted to use eligibility from another program to enroll/reenroll children in Medicaid/CHIP
    - Eight states use ELE (AL, CO, IA, LA, MA, NY, SC, SD) – most don’t realize full potential
    - Federal evaluation of ELE finds fully automatic ELE generates greatest enrollment and greatest adminstrative cost savings

Starting the enrollment pathway

- Find an opportunity where potentially eligible consumers are interacting with the government; leverage an enrollment opportunity
- Can include:
  - —Combining applications for other programs with coverage applications
  - —Using information from other applications to pre-fill components of coverage applications

Starting the enrollment pathway - Medicaid

- **Ensure integrated application and eligibility process for public benefits**
  - **E.g. SNAP application also treated as Medicaid application**
- **Leads to large and persistent gains in uptake of Medicaid**

Starting the enrollment pathway – UI benefits

- **Job loss is responsible for 75% of the individual-market-preventable mid-year coverage losses**
  - Coverage take-up among this population is extremely low; take-up rate for unemployment insurance (UI) is fairly high
- **Leverage the UI application process to facilitate coverage**
  - Upon becoming unemployed, individuals enroll to begin receiving benefits; recertify every week
  - Initial application can ask if the job loss will also trigger coverage loss
  - Families can at least be provided information and asked follow-up questions at weekly recertification
  - Could ask about family size and combine that with information about income to assess eligibility and provide personalized information
  - Could explore closely supervised partnerships with vendors to provide true application "API"

Starting the enrollment pathway – loss of Medicaid

- Some individuals lose Medicaid despite remaining eligible; Dr. Sommers will discuss in more detail
- Others truly lose Medicaid eligibility
  - — Postpartum women with incomes between 138% FPL and 214% FPL
  - — Individuals who have experienced income increases
  - — Children aging out of Medicaid
- At Medicaid coverage loss, individual “account” is transferred to HealthCare.gov with a pre-filled application; information is provided to individuals in notices
- Take-up of pre-filled applications is very low; states can support personalized outreach to encourage individuals to access pre-filled application and complete enrollment

Targeted outreach

- Outreach works!
- Low awareness of coverage options
  - — Only 5% of uninsured are aware of annual Open Enrollment period in individual market; only 12% aware of financial assistance
  - — Most uninsured believe coverage will be far more expensive than it is
- Several important studies of the impact of government outreach
  - — IRS sent letters to randomized set of individuals who paid the individual mandate penalty; one year of coverage gained per 87 letters sent
  - — HHS conducted randomized trials of outreach methods and messages; consistently found all forms of outreach motivated enrollment
  - — State experience with outreach to SNAP beneficiaries
- Key lessons:
  - — Government in its official capacity is an effective messenger
  - — More targeted messages are most effective
  - — $0 premium is very motivating, even if individual chooses other option

Targeted outreach – opportunities

- Many government agencies have information suggesting individuals' eligibility for coverage
- Programs suggesting Medicaid eligibility
  - —SNAP, LIHEAP, WIC, housing subsidies
- Programs suggesting eligibility for either Medicaid or private coverage
  - —Child care subsidy
  - —Child receiving Medicaid (up to 213% FPL); parent not enrolled
  - —Unemployment insurance
  - —State tax data, including state EITC receipt

Targeted outreach – action

- Integrated intergovernmental outreach campaign during Open Enrollment could boost coverage
- To the greatest extent possible outreach should:
  - —Appear on government letterhead
  - —Provide personalized information on the cost of coverage for the household
  - —Direct individual to HealthCare.gov or Medicaid and provide guidance on how to obtain additional assistance (call center, in person)
  - —Appear close to the enrollment deadlines and emphasize deadlines
  - —Include email, text, and phone outreach to the extent the state has obtained appropriate permissions

The Maryland plan

- Maryland has enacted auto-enrollment legislation that incorporates many features discussed here
- State tax return asks individual's permission to treat tax return information as an application for health coverage (i.e. starting consumers on an enrollment pathway)
- Eligibility for Medicaid or private coverage is assessed
  - —If Medicaid eligible, state verifies information consistent with Medicaid requirements and enrolls in Medicaid (i.e. "push the button" auto-enrollment)
  - —If eligible for private coverage, individual is provided a Special Enrollment Period through the State-Based Marketplace; receives extensive and personalized outreach (i.e. targeted outreach)

Reducing other barriers to enrollment

- Choice overload can deter individuals who have started an application
  - — Standardized plan options can dramatically simplify decision making
- Non-compliant coverage options can confuse consumers
  - — Aggressively regulating short-term plans is very important step
  - — Other kinds of non-compliant coverage (fixed indemnity, "health care sharing ministries) still pose risks to consumers
  - — Monitoring by BOI is important
- Broker conduct
  - — Issuers have reduced commissions, offer discriminatory commissions
  - — May push brokers to other business lines; monitoring by BOI is important
- Coverage churn
  - — Medicaid renewals can be a major source of coverage loss
  - — Issuer conduct during moments where individual may lose coverage (data matching issues, other FFM obstacles) also important

Key opportunities

1. Explore CHIPRA ELE options
2. Continue to support streamlined and integrated Medicaid application
3. Leverage Unemployment Insurance process
4. Outreach at Medicaid disenrollment
5. Outreach during Open Enrollment to populations that appear eligible across state government
6. Reduce choice overload through standard plans
7. Monitoring “junk” options, broker conduct, and issuer conduct at potential coverage losses
8. Explore opportunities like Maryland legislation to leverage the tax-filing process

A few words on surprise billing & ERISA preemption

- **Surprise billing laws regulate conduct of:**
  - —Payer: insurer must pay adequate amount and treat consumer cost-sharing as in-network
  - —Provider: provider must accept payer's amount as payment in full and not balance bill
- **ERISA blocks states from regulating self-insured payers; does not affect state regulation of providers**
  - —Core holding of *New York State Conference of Blue Cross & Blue Shield Plans v. Travelers Ins. Co* (1995)
- **ERISA should not prevent a state from prohibiting provider balance billing if the provider has received adequate amount from payer**

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