ASSEMBLY BILL 1296 (BONILLA)
HEALTH CARE ELIGIBILITY, ENROLLMENT AND RETENTION

SUMMARY

This bill would enact the Health Care Eligibility, Enrollment, and Retention Act, which would require the California Health and Human Services Agency (Agency), in consultation with specified entities, to establish a standardized single, accessible application form and related renewal procedures for Medi-Cal, the Healthy Families Program (HFP), the California Health Benefits Exchange, the Access for Infants and Mothers Program (AIM) and, if enacted, the Basic Health Program, by July 1, 2013. The bill would require the Agency to report information regarding the policy changes necessary to implement the eligibility, enrollment and retention system to the appropriate fiscal and policy committees of the Legislature by April 1, 2012.

EXCHANGE STAFF COMMENTS/RECOMMENDATIONS

A key principle of the Exchange is a “no wrong door” approach to eligibility and enrollment as intended in this bill; however, this bill includes prescriptive eligibility and enrollment requirements that are premature given that federal guidance on eligibility and enrollment issues is still pending. The Exchange is working with other state agencies and stakeholder partners in 2011 to develop policies for eligibility and enrollment issues.

ANALYSIS

Planning process and information to Legislature

Requires, by January 1, 2012, the Agency, in consultation with the Department of Health Care Services (DHCS), the Managed Risk Medical Insurance Board (MRMIB), the Exchange, counties, health care service plans, consumer advocates, and other stakeholders to have undertaken a planning process to develop plans and procedures to implement this bill and federal health care reform related to eligibility for, and enrollment and retention in, public health coverage programs.

Requires the Agency to provide the appropriate fiscal and policy committees of the Legislature by April 1, 2012, information reflecting the planning process conducted.

Requires the use specified definitions including accessibility, public health coverage programs, and real time determination of eligibility.

Coordination and simplification

Requires, at application, renewal, or a transition due to a change in circumstances, entities making eligibility determinations for public health coverage programs to ensure that eligible applicants and recipients of public health coverage programs meeting all program eligibility requirements move seamlessly between programs without any

breaks in coverage and without being required to provide duplicative or otherwise unnecessary verification, forms, or other information.

Requires DHCS, in coordination with MRMIB and the Exchange, to streamline and coordinate all eligibility rules and requirements among Medi-Cal, HFP, and the Exchange premium tax credit and reduced cost sharing.

Requires renewal procedures to be coordinated between all public health programs and entities that accept renewal information. Requires that families be able to renew coverage at the same time for all members of the family enrolled in any public health coverage program at one time. Requires a recipient to be permitted to update his or her eligibility information at any point.

Requires a recipient providing an update to his or her eligibility information in between renewal dates to be given the option to renew eligibility at the time of the update.

Requires eligibility for public health coverage programs to be automatically renewed whenever any public benefits program renewal is conducted if the individual is otherwise eligible for public health coverage program.

Requires the eligibility, enrollment, and retention system to be both transparent and accountable to the public, and requires DHCS, the Agency, MRMIB, and the Exchange to provide a monthly public forum for feedback.

<u>Application form for public health coverage programs</u>

Requires a single, accessible, standardized paper, electronic, and telephone application for public health coverage programs to be developed by DHCS in consultation with MRMIB and the Exchange.

Requires DHCS to consult with counties and stakeholders, including consumer advocates, regarding whether to use the application developed by the federal Secretary of the Department of Health and Human Services (DHHS) on whether to develop a separate state form. Requires a separate state form, if developed, to be tested and operational by July 1, 2013.

Requires the application forms to satisfy all of the following criteria:

- Include simple, user-friendly language and instructions;
- Be available in alternative formats and translations;
- Require only information that is necessary to determine eligibility for the applicant's particular circumstances;
- May be used for screening, but is not limited to screening; and
- Include questions that are voluntary for applicants to answer regarding demographic data categories, including race, ethnicity, sex, primary language,

disability status, and other categories recognized by the federal DHHS Secretary under a specified provision of the Affordable Care Act (ACA).

Applicant rights

Requires an applicant or recipient of a public health coverage program to be given the option, with his or her informed consent, to have the application or renewal form prepopulated or electronically verified in real-time. Requires an applicant to be given the opportunity to provide additional information or correct information.

Requires that applicants are provided a reasonable opportunity to resolve discrepancies concerning any information provided by a verifying entity.

Requires applicants to receive the benefits for which they otherwise qualify, pending this reasonable opportunity period.

Requires applicants to be enrolled into a program of presumptive eligibility for children, pregnant women, and adults if a real time determination is not possible.

Requires, before an online applicant who appears to be eligible for the Exchange with a premium tax credit or reduction in cost sharing, or both, can be enrolled in the Exchange, all of the following to occur:

- The applicant to be clearly informed of the overpayment penalties under federal law if the individual's annual family income increases by a specified amount or more, calculated on the basis of the individual's current family size and current income, and that penalties are avoided by prompt reporting of income increases throughout the year.
- The applicant to be fully informed of the penalty for failure to have minimum essential health coverage.
- The applicant to be given the option to decline immediate enrollment while final eligibility is being determined.

Requires an applicant to be referred to the county health coverage program in his or her county of residence if the applicant is not eligible for a public health coverage program.

Requires the eligibility, enrollment, and retention system to ensure that applicants and recipients have available assistance with their application or renewal for public health coverage programs.

Requires applicants and recipients to be provided with reasonable accommodations and policy modifications as necessary to ensure meaningful access to benefits by persons with disabilities and limited English proficient individuals.

Administrative requirements

Requires DHCS, MRMIB and the Exchange, in designing and implementing the eligibility, enrollment, and retention system, to provide for evaluation of information technology (IT) programming by an independent expert prior to implementation and annually thereafter. Requires evaluations to be made available to the public within a reasonable time period.

Requires DHCS, Agency, MRMIB, and the Exchange to monitor and oversee private as well as public entities engaged in screening for eligibility for a public health coverage program.

Requires DHCS, MRMIB and the Exchange, in designing and implementing the eligibility, enrollment, and retention system, to ensure that all privacy and confidentiality rights under ACA, other federal and California laws and regulations, the Medi-Cal program, and HFP are strictly incorporated and followed.

Requires applicants and recipients to have the option to decline online screening, application, renewal, and electronic verification and to instead apply or renew in person, by mail, or by telephone.

Requires responses to security breaches to be conducted according to the requirements of privacy and confidentiality laws.

Requires all programs to use standardized, accessible forms and notices.

FISCAL IMPACT

According to the Assembly Appropriations Committee:

1. One-time costs to DHCS to conduct a stakeholder planning process and develop a report may range from $50,000 to the hundreds of thousands of dollars, depending upon the scope and complexity of the stakeholder process. Ongoing costs related to specific transparency and accountability measures, including a monthly public forum for entities operating health programs to receive in-person feedback, estimated at $100,000 annually.

2. Significant costs for development of IT and business processes that meet the requirements of this bill, potentially ranging from the tens to hundreds of millions of dollars. A significant systems development cost would be incurred regardless of the passage of this bill. Federal grant funding and enhanced Medicaid funding (90 percent federal match) is available for this purpose.

3. Unknown, potentially significant costs associated with the two following provisions in the bill that go beyond strict conformity with requirements of state and federal law: (a) presumptive eligibility for public health care coverage

programs; and, (b) the requirement that recipients move seamlessly between programs without any breaks in coverage.

SUPPORT/OPPOSITION

Support:

Western Center on Law and Poverty (sponsor)
100% Campaign
American Federation of State, County and Municipal Employees
California Academy of Family Physicians
California Children's Health Initiatives
California Chiropractic Association
California Coverage & Health Initiatives
California Family Resource Association
California Optometric Association
California Pan-Ethnic Health Network
California Rural Legal Assistance Foundation
California School Health Centers Association
Children Now
Congress of California Seniors
Consumers Union
Contra Costa County Board of Supervisors
Disability Rights California
Disability Rights Education and Defense Fund
Disability Rights Legal Center
Having Our Say
Health Access California
Latino Coalition for a Healthy California
Latino Health Alliance
Maternal and Child Health Access Children's Defense Fund - California
National Alliance on Mental Illness California
National Association of Social Workers, California Chapter
PICO California
Southeast Asia Resource Action Center
The Children's Partnership
United Nurses Associations of California/Union of Health Care Professionals
United Ways of California
Youth Law Center

Oppose:

None on file