



September 14, 2012

To: Kathleen Hamilton, The Children's Partnership
Representatives of Cosigning Organizations

From: Frank Mecca, Executive Director
Cathy Senderling-McDonald, Deputy Executive Director
County Welfare Directors Association of California

Dear Kathleen et al,

Re: September 11, 2012 Letter to Health Exchange Board

We are writing in response to the jointly signed letter dated September 11, 2012, in order to provide some clarifications to assumptions made in the letter that are inconsistent with the details of the framework adopted on August 23 by the California Health Exchange Board as we understand them. We felt it was important to follow up and explain key elements of the framework adopted by the Board to your organizations in writing.

First, though the letter implies otherwise, the framework adopted by the Exchange board is consistent with the federal law and regulations regarding the Affordable Care Act. Our legal analysis found that under existing federal regulations, the Exchange Board has flexibility to develop any number of approaches to meet its assessment / eligibility determination requirements. The applicable federal regulations do not require that the Exchange directly perform either an assessment or an eligibility determination, but instead specifically allow for a combination approach that can be either be performed directly or through contracting arrangements with counties (which, in California, act on behalf of the Department of Health Care Services, the state Medicaid agency). Thus, a framework where some callers are transferred to a county, where the county eligibility staff make a determination of eligibility that includes Medi-Cal as well as Exchange-subsidized products (if applicable to one or more members of the family), is consistent with these regulations. We also note that this structure allows a person applying for healthcare coverage to also be assessed for possible eligibility for human services programs, such as CalFresh, pursuant to the "horizontal integration" requirements in the federal Affordable Care Act, which the state would not be in compliance with otherwise. Programs such as CalFresh and CalWORKs provide services and support that are critical to a family's overall health.

Second, there seems to be misunderstanding of the purpose behind the "screening and referral" protocols being developed. This protocol should be thought of more as a "sort and transfer" than a "screen and refer" structure. The purpose of the protocol is not to conduct an eligibility determination or even to begin the formal application process. Rather, it is a sorting mechanism intended to ask the minimum number of questions to identify callers with potential Medi-Cal eligibility (who will be transferred to a county eligibility worker via a warm hand-off) and those who are most likely Exchange eligible (who will remain with the

Exchange-run service center). This basic sorting mechanism will ensure we best meet the needs of clients without delay while providing best-in-class customer service.

Elsewhere in the letter it indicates that a family with both Medi-Cal eligible and Exchange product eligible individuals would potentially have to undergo two eligibility determinations under the adopted framework. This is not our conception of the framework at all. There will not be two determinations of eligibility with a handoff in between, nor will there be two applications filed. County Medi-Cal staff are thoroughly trained on Medi-Cal eligibility requirements and also will be trained regarding subsidized Exchange coverage rules, should a family with both Medi-Cal and Exchange eligible individuals be transferred to the county. This is consistent with the Exchange's adopted "no wrong door" principle that also enables county human services department staff to take families and individuals who come to the county in person all the way through the eligibility process, including eligibility for Exchange products.

It might also help to explain the implications of our recommendation (and understanding) that the transfer of a caller from the service center to a county will be accomplished via a "warm hand-off," where a county staff person is brought on the line before the service center disconnects from the call. Initially, we have assumed that a smaller subset of counties (not all 58) will meet the readiness requirements to receive and handle these calls. We want to ensure that the counties receiving calls are fully staffed and available to meet the performance standards that will be required of them. At this very moment, however, counties are working toward a call center network that will cover all 58 human services departments. Thus, we anticipate additional counties being brought on line to receive calls from the Exchange over time. This "warm hand-off" concept addresses issues raised in the letter regarding "county of residence" transfers, wherein some counties may not be ready to receive calls, as well as the comments regarding the use of navigators as a backup to county of residence. Further, the immediate nature of the hand-off obviates the need for accelerated enrollment for potential Medi-Cal eligible callers that is suggested in the letter. In order to collect enough information to provide accelerated enrollment, the central call center would have to collect duplicative information and delay the hand-off to the county, rather than collecting the minimal amount necessary to properly sort and transfer the potentially Medi-Cal eligible callers right to the county for a determination that we hope will be, for most callers, conducted in real time.

We agree with your comment that data collected and used in sorting the calls should be transmitted to the county, automatically, at the same time that the warm hand-off occurs so the county staff helping callers know what interaction has already occurred, and applicants do not need to repeat information.

The letter states that the Exchange board should retain the final responsibility for ensuring that callers receive streamlined, coordinated and non-delayed service. It is unclear to us why the Administration (specifically the Department of Health Care Services as the Single State Medicaid Agency) would not be included as a vested party in this responsibility. While the Health Exchange is responsible for bring the

Exchange to bear, it has undertaken its efforts in partnership with the Administration, which bears final responsibility for Medicaid determinations and service. Counties have on multiple occasions expressed our willingness to work with both entities to develop appropriate performance standards that we would expect any contractor or staff, including state staff at the service center, to also be required to meet.

Finally, your letter characterizes the proposed framework as a “roll back in enrollment streamlining for children,” using the Single Point of Entry as an example of “immediate” accelerated enrollment. We could not disagree more with this assessment. Today, the Single Point of Entry is not an immediate or real time entry point for anyone. The vendor operating the Single Point of Entry has a contracted number of days in which to screen and assess the potential eligibility for accelerated enrollment, prior to passing the applications on to either the county human services department or the Healthy Families vendor. In addition, the screening protocols used are not robust enough to properly assess potential Medi-Cal eligibility – a long-time criticism of client advocates that ultimately resulted in a lawsuit being filed against the state in this regard, which the state lost. For years prior to this lawsuit, we knew that some children were being enrolled into Healthy Families and charged premiums and copayments when they were actually eligible for free coverage under Medi-Cal. This is not only poor customer service but is also inconsistent with federal law requiring that Medi-Cal eligible children be enrolled into Medi-Cal, not Healthy Families. For all of these reasons, the adopted framework is a huge step forward, not a step backwards, from an incomplete screening process that takes days to accomplish to a robust and complete eligibility determination that will typically be done in real time.

We hope this letter has deepened your understanding of the framework adopted by the Exchange board as we understand it. As always, we look forward to continuing our joint work together toward a comprehensive, integrated, and streamlined eligibility process for everyone seeking health and human services assistance – a goal that we share with your organizations.

cc: Peter Lee, California Health Exchange