

Retention Initiative: Achieving Stability in Medicaid and SCHIP Coverage

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Statewide Centralized Medicaid Renewal System

New Mexico implemented its Medicaid Renew Project (MRP) as a statewide pilot effective October 01, 2007. One centrally located unit is now responsible for the Medicaid/Medicaid Expansion renewal process for children and families. The centralized renewal system reduces the caseload burden for the county office workers and streamlines the renewal process through a simplified pre-populated renewal form and by offering multiple renewal options.

Simplified, Streamlined Renewal Process

The intent of the MRP was to increase the Medicaid renewal rate for children and families by reducing county worker caseloads and streamlining the renewal process. New Mexico requires a Medicaid renewal once every 12 months. Before implementation of the pilot project, families were sent a renewal letter by mail. Follow-up was not consistent from office to office or from worker to worker. In some cases, workers followed up with another letter and a renewal application. The family was then required to submit the signed application and proper verification.

With the implementation of the MRP, families are sent a pre-populated renewal form rather than a blank renewal application. Families can indicate changes on the form, if applicable, and mail the form back. There also are alternative ways to renew other than mailing in the form. Families can choose to call MRP staff and recertify over the phone, e-mail their request, or fax their form. Verification of changes is based on client statement and recertification requests are processed by MRP staff usually within 10 days of receipt. Prior to the MRP, the county offices could take up to 30 days to process the renewal application, a period of time which might extend beyond the recertification deadline.

One of the main reasons recipients do not get recertified is that they do not receive the notice to renew. An integral part of the success of the MRP is the handling of undelivered mail. All returned mail is checked against a number of different sources. These sources include checking for alternative addresses with other non-Medicaid programs that recipients may be receiving, such as food stamps or TANF, addresses carried by Motor Vehicle Division, web searches (post office, white pages etc.) and calling if a phone number is on file. The result has been that a corrected address has been obtained on 50% up to 65% of returned monthly mail. The benefit of having corrected addresses impacts not only renewal mail, but other notices and cards to recipients as well, resulting in widespread cost savings.

An initial telephone survey was conducted asking families about their satisfaction with the renewal process. Most strongly agreed that the renewal process was easy and were satisfied that their case was renewed correctly. New Mexico intends to continue to conduct telephonic surveys as well as introduce mail-in surveys to gauge recipient satisfaction and make necessary changes to improve the process.

There have been some substantive changes to the MRP. The MRP is no longer a pilot project. More staff has been allocated to the unit and all are now in permanent rather than temporary positions.

Future Enhancement Plans

In the near future, categories of Medicaid coverage other than children and families may be incorporated into the centralized renewal system. New Mexico also is developing a 24-hour voice response system by which families can renew their Medicaid over the phone without having to talk to a person. In addition, families will be able to report address changes on the voice response system.

IMPACT MEASURES

The result of the MRP, after a year of statewide implementation, is a renewal rate of 55% to 60% a month. Historically, the percentage was less than 50% each month. Additionally, undeliverable mail has been addressed so that well over 50% of the returned mail results in a corrected address. Thus, the goal of significantly increasing the Medicaid renewal rate for children and families has been met, with ancillary benefits such as a process for handling undeliverable mail being incorporated as well.

The MRP has made the renewal process easier for families according to the results of the telephone survey in which most families strongly agreed the renewal process was easy and handled correctly.

Quality reviews of renewals processed by the MRP show the error rate to be comparable to the error rate prior to the pilot. The multiple methods families can use to renew and the change in the verification requirements to allow for client statements have not resulted in increased ineligible cases.

RESOURCES NEEDED

One of the barriers to processing renewals is New Mexico's outdated legacy eligibility system. It is imperative that the current legacy system be replaced, however, that will take several years. Some system improvements have been made to allow for greater efficiency in the processing of those renewals that have no change in eligibility. As a result, a much larger number may be processed each day. Other needed improvements will have to wait until the system is replaced. Another area that is being addressed within the next year is the ability to scan and store documents. The MRP, as well as all the county offices, do not have this technology yet, so a great deal of paperwork still has to be processed.

KEY PARTNERS

The key partners are the Income Support Division (ISD) and the Medical Assistance Division (MAD). MAD oversees the Medicaid program and its policy while ISD is responsible for the processing and determination of Medicaid eligibility, including the renewal unit. Additional key partners are advocates, contractors, and providers who are also interested in seeing the renewal process be as simplified as possible for families.

LESSONS LEARNED

Replacing the renewal application with a streamlined pre-populated renewal form and allowing for client statement verifying the data has resulted in significant improvement in the renewal rate and greater satisfaction by families without compromising quality. Offering multiple methods of renewal, e.g., phone, e-mail and fax is important to increasing renewal rates.

Keeping eligible children and families on Medicaid without "churning" is important to health outcomes and reducing the uninsured rate. The renewal project is meeting New Mexico's goal of a significant increase in renewals by making the process easier for families.

CONTACT INFORMATION

Robert Beardsley, Deputy Director
Medical Assistance Division
New Mexico Human Services Department
Bob.Beardsley@state.nm.us

The goal for the Retention Initiative is to increase the rate of retention of eligible children and adults in Medicaid and SCHIP. The Southern Institute is assisting state teams from Alabama, Florida, Iowa, New Hampshire, New Mexico, Pennsylvania, Texas and Washington through specialized consultation and technical assistance designed to help the state teams: (a) adopt simplified eligibility policies and processes focused on retaining eligible children and adults, and (b) ensure accuracy of the eligibility determination processes at renewal to decrease inappropriate Medicaid and SCHIP closures.

For additional information about the Retention Initiative please contact

Judi Cramer at jcramer@thesoutherninstitute.org.