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Subject: Transitioning Undocumented Children to Full Scope Medi-Cal – Lessons from the Low Income Health Program Transition

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Summary

As soon as May 2016, all low-income children in California will become eligible for full scope Medi-Cal regardless of immigration status under state policy.[1] Many undocumented children are already enrolled in restricted scope Medi-Cal and will be transitioned to full scope coverage without a new application under Senate Bill 4. The group of children transitioning from restricted scope to full scope Medi-Cal may include some children who are simultaneously enrolled in county-based Children's Health Initiatives (CHIs) or the Kaiser Permanente (KP) Child Health Plan. In this memo, we reflect on California's experience with the Low Income Health Program (LIHP) Transition in order to raise considerations for the upcoming transition of undocumented children from restricted scope to full scope Medi-Cal.

In summary, the transition of undocumented children from restricted scope to full scope Medi-Cal may be simpler than the LIHP Transition in some ways. Children enrolled in restricted scope Medi-Cal already have an eligibility determination and their eligibility data is already recorded in the Department of Health Care Services' (DHCS) Medi-Cal Eligibility Data System (MEDS). However, some aspects of the transition are likely to require significant planning:

- Undocumented children in families with certain income levels will owe Medi-Cal premiums based on their household income level. A careful plan on how to inform those families of the premiums owed and help them through the premium payment process will help ensure that those children maintain coverage.

[1] http://www.leginfo.ca.gov/pub/15-16/bill/sen/sb_0051-0100/sb_75_bill_20150624_chaptered.pdf

- A strong communication and outreach plan for enrollees and their families, county eligibility workers and workers who assist with Medi-Cal applications, providers, community-based organizations and other stakeholders will help ensure a smooth transition.
- While children in restricted scope Medi-Cal are not assigned a health plan or PCP, enrollees in the CHIs and the KP Child Health Plan have been assigned to PCPs or medical homes. To the extent that those children are part of the transition from restricted scope to full scope Medi-Cal, they would benefit from an assignment to a Medi-Cal managed care plan (MCP) that includes their existing primary care provider (PCP) or medical home, with the option to choose a different plan if desired. If that is not feasible, a plan choice/ assignment process that begins 60 days before the expansion would allow families to choose a MCP containing their existing PCP (if possible) without a disruption in care.

Background on Medi-Cal Expansion for Undocumented Children

Under Senate Bill 75 (Committee on Budget and Fiscal Review, 2015), all California children age 18 and under in households with income at or below 266% of the Federal Poverty Level (FPL) will be eligible for full scope Medi-Cal regardless of immigration status, no earlier than May 2016.[2] Under Senate Bill 4 (Lara, 2015):

- The state will develop a plan to enroll children from restricted scope to full scope that "…shall include outreach strategies developed by the department in consultation with interested stakeholders, including, but not limited to, counties, health care service plans, consumer advocates, and the Legislature. Individuals subject to this subparagraph shall not be required to file a new application for Medi-Cal."
- The transition will be effective on the day that DHCS determines the systems operational to begin processing applications for undocumented children.
- Children newly entering Medi-Cal or moving from restricted scope Medi-Cal into full scope Medi-Cal will be required to enroll in managed care to the extent permitted by state and federal law.

Using the UC Berkeley-UCLA California Insurance Markets (CalSIM) model, we estimate that approximately 250,000 undocumented children will be newly eligible for full scope Medi-Cal once the law is implemented.[3] An estimated 170,000 kids are predicted to enroll, according to reports from California Senator Ricardo Lara.[4]

[2] http://www.leginfo.ca.gov/pub/15-16/bill/sen/sb_0051-0100/sb_75_bill_20150624_chaptered.pdf
[3] UC Berkeley-UCLA CalSIM 1.91 estimate of California children in households with income at or below 266% FPL
[4] http://sd33.senate.ca.gov/news/2015-06-19-lara-responds-budget-deal-includes-40-million-cover-immigrant-children

Existing Health Programs for Undocumented Children in California

Most of the children who will become newly eligible for full scope Medi-Cal are already enrolled in public or private programs that provide access to emergency services or more comprehensive services.

- Approximately 121,000 children were already enrolled in restricted scope Medi-Cal as of August 2014,[5] which provides access to certain emergency, pregnancy-related and long term care services. All of these children have been determined to meet Medi-Cal's full scope income standards for children, although they did not qualify for comprehensive benefits due to their immigration status.
- An additional 73,000 children, most of whom are undocumented, are enrolled in the KP Child Health Program.[6] This is a Community Benefit program that provides a KP premium subsidy for uninsured California children regardless of immigration status. The program is for Californians under the age of 19 who are not eligible for Medi-Cal, do not have access to employer-sponsored dependent coverage, and are living in families with income under 300 percent FPL. The vast majority are likely to be in families with income at or below 266% FPL.
- Another 21,000 children, most of whom are undocumented, are enrolled in county-based Children's Health Initiatives (CHIs) in eight counties (Los Angeles, San Francisco, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, and Yolo).[7] In most of these counties, eligibility is limited to children in families with income under 300 percent FPL. The vast majority are likely to be in families with income at or below 266% FPL. Some of these children are also enrolled in restricted scope Medi-Cal.
- Some children are also enrolled in county-based health access programs other than Children's Health Initiatives.
- Some undocumented children are also enrolled in other state programs like California Children's Services (CCS), Genetically Handicapped Persons Program (GHPP), Family PACT, Child Health and Disability Program (CHDP) Gateway. These programs are specific to certain needs and services. Enrollees in these programs may also qualify for restricted scope Medi-Cal for emergency services, long-term care, or other services not covered by the specific program.

This memo focuses on the transition from restricted scope to full scope coverage. However, it is important to note that the group of children transitioning from restricted scope is likely to include some children who may also be enrolled in one of the other programs listed above. There is already some existing overlap in program enrollment, especially in CHIs. In addition, the amount of overlap may grow if separate transition plans are not implemented for children in these other programs, as it is likely that many of the children in the other programs would enroll in restricted scope Medi-Cal in order to be included in full scope coverage on the first day of the expansion. In this memo, we discuss transition from CHIs and KP Child Health Plan as it relates directly to the transition from restricted scope to full scope coverage.

[5] http://www.dhcs.ca.gov/Documents/SB_75-Restricted_Scope_Aid_Codes.docx
[6] Estimates based on information gathered by California Coverage and Health Initiatives in collaboration with partners
[7] ibid.

Low Income Health Program Transition as a Model[8]

Starting in 2011, through a Section 1115 Waiver approved by the federal government, California received federal funds that matched county spending on coordinated systems of care for eligible low-income adults who enrolled in locally-based Low Income Health Programs (LIHPs). The LIHP consisted of two programs – 1) 53 counties offered a Medicaid Coverage Expansion (MCE) program for adults with income at or below 133% FPL who would become eligible for Medi-Cal under the ACA in 2014, and 2) 10 counties had Health Care Coverage Initiative (HCCI) enrollees with income between 134% and 200% FPL who would become eligible for Covered California under the ACA.[9]

Approximately 682,000 Californians were transitioned from LIHP MCE to full Medi-Cal coverage on or soon after January 1, 2014 under this "Bridge to Reform" program.

An additional 24,000 HCCI enrollees were likely eligible for Covered California[10] and received targeted outreach from Covered California so that they could consider enrolling in subsidized individual market coverage.

The UCLA Center for Health Policy Research (CHPR) was contracted by DHCS to evaluate the Low Income Health Program. Additionally, UCLA CHPR and the UC Berkeley Center for Labor Research and Education served as consultants to DHCS in 2012 through 2013 on the LIHP Transition. Both roles were funded in part by Blue Shield of California Foundation, as you know.

The state's experience with the LIHP Transition can help inform the planning for the transition of undocumented children to full scope Medi-Cal because both processes will involve transitioning a large number of Californians who have not traditionally been eligible for full scope Medi-Cal to coverage on a single day. However, there are some key differences between the two populations. The LIHP Transition enrollees were mostly (55%) between the ages of 45 and 64, primarily English-speaking, and 30% Latino.[11] All of the 682,000 LIHP enrollees were able to enroll in Medi-Cal without facing a premium, and they were all citizens or lawful permanent residents who met the 5-year eligibility bar for federally-funded Medi-Cal. The upcoming transition will only apply to children, the majority of whom are likely to be Latino and many of whom are likely to have parents with Limited English Proficiency. In addition, the upcoming transition will include some children from families with income that is above LIHP MCE eligibility levels.

[8] This memo focuses on lessons from California's LIHP Transition experience, but other recent programs and transitions may also provide lessons, such as the Express Lane Enrollment Project and the Healthy Families Transition.

[9] Only 4 out of 10 of these counties accepted new HCCI enrollees between 2011 and 2013. The remaining 6 counties had grandfathered in enrollees with income above 133% FPL from prior HCCI programs, but the programs were not open to new enrollees.

[10] http://www.dhcs.ca.gov/formsandpubs/publications/opa/Documents/2013/13-07%20LIHP%20Medi-Cal%20Expansion%2012-31-13%20Final%20Version.pdf

[11] http://healthpolicy.ucla.edu/publications/search/pages/detail.aspx?PubID=1215

Factors to Consider in Developing Transition Plan Options

In developing a transition plan for undocumented children, DHCS, counties, stakeholders and advocates involved in the planning process may consider the following factors in weighing various options:

- Completeness in terms of the population transitioned;
- Ease for enrollees and their families;
- Feasibility of implementation by May 2016;
- Resources required including time required for county workers and DHCS staff, training for eligibility workers, providers and CBOs, and health plan involvement;
- Continuity of care; and
- Legal compliance.

Eligibility

An important tenet in planning the LIHP Transition was that the 1115 Waiver Special Terms and Conditions agreement between DHCS and the Center for Medicare and Medicaid Services (CMS) stipulated that "In transitioning these individuals from coverage under the waiver to coverage under the State Plan, the State will not require these individuals to submit a new application."[12] Determining Medi-Cal eligibility for LIHP enrollees using Modified Adjusted Gross Income (MAGI) would have been difficult without collecting new information from enrollees given that income determinations for LIHP eligibility varied by county, did not follow MAGI rules, and counties did not have all of the data elements necessary to make a MAGI determination. As a result, an automatic transition process was used for LIHP MCE enrollees.

LIHP MCE enrollees were assigned to new Medi-Cal transitional aid codes by December 2013. Eligibility for LIHP in MEDS ended December 31, 2013. Enrollees were transitioned automatically to Medi-Cal without a MAGI determination on January 1, 2014. Most counties stored LIHP eligibility information in their existing SAWS, allowing for transfer of eligibility data directly from SAWS to MEDS. In most cases, MEDS already had a record for LIHP enrollees because the individual had previously been determined ineligible for Medi-Cal but eligible for LIHP. However, 5 counties used systems that did not communicate with MEDS and custom solutions were developed for the data transfer.

Compared to newly determining Medi-Cal eligibility for each LIHP enrollee, automatic transition based on existing LIHP eligibility greatly simplified the planning process, minimized the workload for counties, and resulted in a complete transition for all MCE enrollees. There were several instances where counties had to create an ad hoc report, conduct batch reporting, or develop another workaround to deliver enrollment data to MEDS. However, they did not need to collect additional data from the enrollee to get them transitioned.

[12] http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/ca/ca-bridge-to-health-reform-ca.pdf

The transition of undocumented children is likely to be simpler for several reasons. All children enrolled in restricted scope Medi-Cal should have already had an eligibility determination within the prior 12 months. For applicants eligible for restricted scope Medi-Cal, county eligibility workers already collect all of the data variables and verification necessary for a full scope determination, except that they do not collect proof of citizenship or immigration status. Eligibility data for these children is already stored within MEDS.

Children enrolled in restricted scope Medi-Cal already have annual redeterminations of eligibility and presumably could continue to maintain their current redetermination date after the transition to full scope Medi-Cal.

Eligibility Considerations

- Which aid codes will children be transitioning to and from? Will transitional aid codes be used until eligibility workers can shift the population into a permanent aid code upon redetermination?
- On which date will enrollees receive their new aid code? On which date will coverage under their old aid code cease?
- Will children maintain their existing redetermination date?
- For mixed status families, would it be possible to align undocumented children's redetermination dates with those of siblings and other family members who may already be enrolled in full scope Medi-Cal?

Premium Payments

Some children in restricted scope Medi-Cal will owe a premium when transitioned to full scope Medi-Cal. Medi-Cal premiums are required for children ages 1-19 in families with incomes between 160% and 266% FPL. It is not known how many children currently enrolled in restricted scope Medi-Cal would owe premiums, but that may be possible to analyze using enrollment data by aid code. Medi-Cal premiums are currently $13 per child per month, with a maximum of $39 per family. Currently, families receive a bill for premiums within 60 days of receiving Medi-Cal Notice of Action. If premiums are not paid for at least two months, counties begin the discontinuance process.

The LIHP Transition does not offer lessons on how to automatically transition enrollees from coverage without a premium to coverage requiring a premium. No Medi-Cal premium was required for adults transitioning from LIHP MCE to Medi-Cal. While individuals transitioning from LIHP HCCI had the opportunity to enroll in Covered California, they applied for subsidies and paid premiums via the standard Covered California processes which were not unique to the transition.

Premium Payment Considerations

- Could DHCS apply existing premium payment policies for new enrollees to this transition?
- Will DHCS determine whether or not a family owes a premium payment based on their income under the last eligibility determination?
- It will be important that notices to families clearly explain the premiums, the process for payment, and how to report a change in income or circumstances (which may affect whether or not a family owes a premium).
- What role can community-based organizations and other stakeholders play in helping immigrant families through this process?
- It should be confirmed that families who do not pay their premium will be switched back to a restricted scope aid code.

Plan and Primary Care Provider Assignment

In the LIHP Transition, DHCS sent LIHP MCE enrollees a Plan Assignment Notice/ Health Care Options Packet 60 days in advance of the transition and a reminder notice 30 days prior to the transition. LIHP MCE enrollees were assigned to a Medi-Cal MCP that included their LIHP PCP to the extent possible with no action required from the enrollee. In some cases, if the LIHP PCP was not available in any of the county's Medi-Cal MCPs, the enrollee was assigned based on DHCS's typical algorithm for default assignment. Enrollees were also given the option to change plans, in counties where multiple plans are offered.

LIHPs were required to submit current PCP assignment information to UCLA for all enrollees via a secure file transfer protocol. UCLA then extracted these data and sent the files to DHCS securely for processing by the Medi-Cal Managed Care Division. The data were then matched to enrollee information housed by DHCS in MEDS, and were used to assign a Medi-Cal MCP (if no choice was made by the enrollee) and inform the Medi-Cal MCP of the new beneficiary's LIHP PCP to guide assignment of the Medi-Cal PCP.

Assigning plans based on existing medical homes was an important and worthwhile aspect of the LIHP Transition, but it involved resolving data issues, intensive planning with MCPs, and a lot of lead time to properly implement. The LIHP program was built upon the concept of a medical home and improving access to outpatient care. In the case of restricted scope Medi-Cal, undocumented children are not assigned a medical home. The services provided are typically related to a health emergency or significant medical need that is treated by specialists and emergency room physicians in a hospital or other acute care setting. Children enrolled in restricted scope Medi-Cal may have a medical home at a health center, but it would not be recorded by the Medi-Cal program. Using Medi-Cal claims data to link restricted scope enrollees to plans containing their previous Medi-Cal providers (typically emergency-related) would not be effective because it could disrupt the relationships those patients may have with PCPs in the community.

However, children enrolled in CHIs or Kaiser Child Health Plan have a PCP or medical home and some of those children may also currently be enrolled in restricted scope Medi-Cal or enroll

prior to the expansion. It would promote continuity of care and minimize confusion if the transition process included a plan for assigning those children to a Medi-Cal MCP that includes their existing PCP or medical home, if they do not choose a different plan. Because the CHIs and KP Child Health Plan do not use MEDS or the Statewide Automated Welfare Systems (SAWS) to make eligibility determinations or store data, an effort would be needed to transfer data on enrollees to DHCS to make this transition possible. If it is not possible to assign a plan based on an existing medical home, it would benefit these children to be able to begin the plan assignment process 60 days in advance of the expansion so that they can choose a MCP that includes their PCP or medical home (if possible) and begin enrollment in that plan on the first day of the expansion.

Administrators from programs like the CHIs and the KP Child Health Plan and community-based organizations and advocates who work with children enrolled in those programs should be consulted about how the transition process from restricted scope to full scope would best apply to children who are also enrolled in those programs.

Plan and Primary Care Provider Assignment Considerations

- Could the plan assignment/ selection process begin 60 days in advance of the expansion implementation date in order to ensure that children are in a MCP on day one and are able to select the appropriate PCP?
- To the extent that children enrolled in CHIs or KP Child Health Plan are also enrolled in restricted scope Medi-Cal, could DHCS develop a process to assign a Medi-Cal MCP based on their current PCP or medical home, with the option to change plans if desired?
- If other family members are already in Medi-Cal managed care, could families be reminded of the plan enrollment for existing enrollees when they are choosing a plan for their child?

Communication & Outreach

The following notices were sent to LIHP enrollees between October 2013 and December 2013 in preparation for the transition. All notices were sent by DHCS except the general transition notice which was sent by LIHPs. Some notices were translated into all threshold languages by DHCS, while others were translated into Spanish. Stakeholder feedback on the notification content and timing was critical to developing an effective communication and outreach plan to enrollees. Notices had to be developed early to allow time for stakeholder feedback. Draft notices were shared with stakeholders for comments as early as summer of 2013.

Notice	Timing	Distributed by	DHCS Translation
General transition notice	October 2013	LIHPs	Threshold languages
60 day Plan Assignment Notice / Health Care Options Packet	November 2013	DHCS	Threshold languages
30 day Plan Assignment/ Reminder Notice	December 2013	DHCS	Threshold languages
Medi-Cal Welcome Packet	December 5, 2013	DHCS	Spanish
Benefits Identification Card (BIC)*	Mid-December 2013	DHCS	Spanish

***** Note: LIHP enrollees who had a BIC issued in the prior 12 months were not sent a new BIC[13]

In addition to communicating with enrollees, another important aspect of the LIHP Transition Plan were LIHP regional meetings co-hosted by UCLA and DHCS in 5 locations throughout the state. The meetings were well-attended by providers, community based organizations, county workers, and other stakeholders. At these meetings, information was shared about the transition timeline and activities, eligibility for Medi-Cal and Covered California, and planned communications and timelines. The regional meetings were highly valued by stakeholders.

Communication and Outreach Considerations

- Which notices and communications are necessary in this transition and what is the appropriate timeline?
    - Most restricted scope enrollees should already have a BIC but at least one notice should include information on how to get a new one if an enrollee does not have one.
    - Will premium payment information be provided as a separate notice?
- The expansion implementation date will need to be fixed at the point that the first notice is sent to families because that notice would inform enrollees of the upcoming transition and the date on which it will occur.
- Could notices be customized for children who are enrolled in both restricted scope and another program such as a CHI or KP Child Health Plan?
- Will notices be translated into all threshold languages?

[13] All County Medical Services Program (CMSP) enrollees already had a BIC. Other LIHP enrollees, such as those who previously eligible for Medi-Cal as parents, already had BICs.

Communication and Outreach Considerations (continued)

- What will the process be for getting stakeholder feedback on notification content and timing?
- How will county workers and other workers who assist with Medi-Cal applications, providers, community-based organizations and other stakeholders be educated about the transition plan so that they can effectively assist enrollees?
- The plan should be customized to effectively communicate with undocumented and mixed status families. For example, the plan should:
    - Include broader outreach beyond written notices;
    - Convey that eligibility information will only be used for healthcare purposes, not immigration enforcement;
    - Address families' fears about being considered a "public charge;"
    - Clearly communicate which family members are affected by the policy change and health care options for family members who are not eligible for full scope coverage; and
    - Convey the importance of renewing coverage upon redetermination date so that the children are automatically transitioned. Could a message to this effect be incorporated into redetermination notices for restricted scope aid codes prior to implementation of this eligibility expansion?

Consent

In the LIHP Transition, DHCS sought legal guidance and decided that consent from LIHP enrollees (such as a signed form) was not necessary for the transition between programs because counties had already informed enrollees that the LIHP program was temporary and provision of services would be transitioned to full scope Medi-Cal due to the ACA. Individuals who wished to opt out of Medi-Cal could contact the county office. When they did so, county workers were expected to explain the consequences of not having health coverage.

The transition of undocumented children is more straightforward because children are simply moving between Medi-Cal aid codes. However, it will still be important to communicate to families how to decline Medi-Cal coverage on behalf of their child if they wish to do so.

Consent considerations

- It should be confirmed that consent will not be required to be transitioned to full scope Medi-Cal.
- When and who should a family contact if they wish to decline Medi-Cal coverage on behalf of their child?
- What information will county eligibility workers be expected to provide to families declining coverage for their children?

Continuity of Care

DHCS developed a plan for ensuring continuity of care for LIHP enrollees transitioning to Medi-Cal, which was especially important for a population in which more than one-third of enrollees had a chronic illness.[14] LIHP Transition enrollees were protected by existing state laws and regulations for new Medi-Cal managed care beneficiaries regarding timely processing of authorization requests for drugs and completion of services by nonparticipating providers.[15] DHCS transferred enrollee LIHP utilization data to MCPs approximately 30 days prior to enrollment. DHCS worked with LIHPs and MCPs to facilitate transfer of open treatment authorizations. DHCS also required that the LIHPs, MCPs and county Departments of Mental Health have agreements in place to deal with transition issues. DHCS provided guidance to LIHPs and MCPs regarding authorization and scheduling of services and prescriptions that would occur or continue post-transition.

Compared to the LIHP population, a smaller share of children enrolled in restricted scope Medi-Cal are likely to have ongoing or scheduled treatments covered by Medi-Cal because their benefits are currently limited and children with the greatest health care needs may be in California Children's Services. However, continuity of care may be a concern for children receiving dialysis, pregnancy-related services, or other services that are part of an ongoing course of treatment.

Continuity of Care Considerations

- How will children with ongoing or scheduled treatment covered by Medi-Cal be identified?
- How will continuity of care be ensured for those children?

Special Populations

In the LIHP Transition, DHCS engaged stakeholders in a planning process related to certain special populations to ensure a smooth transition including:

- Enrollees receiving mental health services;
- Transitioning Ryan White clients and those living with HIV/AIDS;
- Enrollees who are homeless; and
- Enrollees with open treatment authorization or those undergoing treatment at the time of transition.

Special Population Considerations

- Are there special populations of children enrolled in restricted scope Medi-Cal that would benefit from specialized planning efforts?

[14] http://healthpolicy.ucla.edu/publications/search/pages/detail.aspx?PubID=1215
[15] California Welfare and Institutions Code Section 14185, California Health and Safety Code Section 1373.96

Late Enrollees

Individuals who newly enrolled in LIHP after October 2013 were transitioned under a different timeline and process than individuals whose eligibility information was already in MEDS as of late October 2013.

Children are likely to newly enroll in restricted scope Medi-Cal in the months prior to the expansion to full scope benefits. This may be especially true of children who are currently enrolled in CHIs or KP Child Health Plan if no separate transition plans are implemented for children in those programs.

Late Enrollee Considerations

- How will DHCS transition children who newly enroll in restricted scope Medi-Cal in the last few months before implementation occurs?