Testimony Before Health Care Reform Review Committee
June 14, 2011

Good morning, my name is Lisa Feldner and I serve as the Chief Information Officer for the Information Technology Department. My presentation will include the system requirements for a health benefit exchange as well as an overview on the progress of other states in this area.

The ACA requires states to create a coordinated, simple, and technology-supported process through which individuals may obtain coverage through Medicaid, CHIP, and the new Exchanges. Providing what may be simple for enrollees on the front-end is all but simple on the back-end in the world of technology. In Figure 1, Step 1: The Application, you see the areas of information the individual needs to provide by entering it online into a web-based application. Step 2: Verification is where things start to get very involved. Based on the information provided by the individual, the system must then go out to multiple systems to verify the applicant's status. The Exchange must interface with the IRS, the Social Security Administration, and the systems for Medicaid, SNAP, TANF, and others. If verification cannot be made, the system must ask the applicant for more information and the process repeats. In Step 3: Eligibility, the verified information is routed to the Eligibility system to determine if the applicant is eligible for Medicaid or CHIP and if not, then eligible for subsidized coverage in the Exchange and at what level. The system will then notify the applicant of their eligibility determination and/or subsidy amount. In Step 4: Enrollment, the system must enroll qualifying individuals in either Medicaid or subsidized coverage and notify the employer of the enrollment. If the individual does not qualify for subsidized coverage, the system will route them to the exchange area where they can enroll in the plan of their choice. Step 5: Renewal and Reconciliation is a complex step as well. The system must retrieve updated information on the individual's status in order to renew or transition their coverage. The information is retrieved electronically from 3rd party sources such as employers, the IRS, Medicaid, vital records, etc.

One important item on Figure 1 is the Key – bottom left. Notice the rectangular boxes throughout the diagram indicate technology system functions. The ovals indicate enrollee functions. There are 13 rectangles and only 2 ovals, which is a good indicator of all the back-end processing required.

Figure 1:
Example of Key Steps and Processes in an Integrated Enrollment System
for Medicaid and Subsidized Exchange Coverage

Step 1:
APPLICATION

Individual Provides Basic Information (E.g., Income, Household, Citizenship)

(Online) (Hospital/ Clinic/ Provider) (Social Service Agency) (Community-Based Organization) (Call Center) (Other Program (eg. TANF, SNAP, WIC)) (Other)

Step 2:
INFORMATION
VERIFICATION

System verifies data from third-party sources as authorized by applicant (e.g., IRS, SSA, SNAP, Others)

Applicant provides additional & updated information & documentation as needed

Step 3:
ELIGIBILITY
DETERMINATION

System Screens for Eligibility in:

Medicaid /CHIP   Subsidized Exchange Coverage

Other Programs SNAP, TANF, etc.

System Notifies applicant of eligibility determination/subsidy amount

Step 4:
ENROLLMENT

Enroll in Medicaid   Enroll in Exchange Plan

Step 5:
RENEWAL AND
RECONCILIATION

System retrieves updated information from third-party sources

Enrollee provides updated information if necessary

System notifies individual of redetermination of eligibility/subsidy amount

Reconciliation of Prior Year's Subsidy Payments if needed

Medicaid/ CHIP Renewed   Exchange Coverage Renewed   Coverage Transitioned

KEY:

System

Individual