DEPARTMENT OF HEALTH & HUMAN SERVICES
Health Care Financing Administration

Center for Medicaid and State Operations
7500 Security Boulevard
Baltimore, MD 21244-1850

June 7, 1999

Dear State Medicaid Director:

This letter provides you with an update on the 1999 Government Performance Results Act (GPRA) measure to " *Improve Access to Care for Elderly and Disabled Medicare Beneficiaries Who Do Not Have Public or Private Supplemental Insurance*," and, among other things, asks for your comments on our proposed methodolgy (presented in this letter) for setting related enrollment targets. The Health Care Financing Administration (HCFA) is addressing this goal through activities aimed at enrollment of eligible beneficiaries in all programs designed to assist low income elderly and disabled persons with Medicare premiums and cost sharing amounts. To provide an opportunity to discuss the proposed methodology in further detail, we will hold a meeting on June 17, from 11:30 a.m. to 1:00 p.m. Eastern time. To participate in the meeting through picture-tel, you may contact your HCFA Regional Office representative. To participate by phone, please call the audio conference line, (410) 786-7370. We ask that you forward your comments on the proposed methodology to Gina Clemons at GClemons@hcfa. gov by June 16.

UPDATE ON OUTREACH AND ENROLLMENT ACTIVITIES

A number of activities have been undertaken to date. These include direct beneficiary education, as well as activities designed to help understand why potential beneficiaries are not enrolled in the dual eligible programs and the steps needed to assist in their enrollment. An attachment to this document highlights some of these activities, as well as those planned for the future. We have also enclosed the binder distributed at the March 9-10 conference, "Reach Out: A Cooperative Effort by Stakeholders." The conference, held in Arlington, Virginia, was attended by approximately 200 representatives from States, beneficiary representative organizations, and other governmental and private sector organizations with an interest in identifying and enrolling potential dual eligible beneficiaries.

Several recently released reports are contained within the conference binder including the results of the State survey conducted for HCFA by the American Public Human Services Association (APHSA), as well as preliminary findings from the discussion interviews that were held with beneficiary and State organizations, and the demographic profile of the dual eligible population completed by the Barents Group, LLC under contract with HCFA. Along with the other information contained in the binder, we hope these reports will assist you in administering your outreach program. You can also find this information on our new dual eligible website at . Although in the early stages of development, this website is being created as a resource for beneficiaries and as a clearinghouse for information on the dual eligible programs.

Having completed the information collection stage, we are currently conducting an analysis of the information through a series of focus groups, Technical Expert Panels (TEPs), and beneficiary interviews. Once this analysis is complete, we will develop a Resource Guide to assist States and other local community organizations in designing effective outreach and educational programs for the target population. The Resource Guide is a joint effort with the Child Health Insurance Program (CHIP) and will contain general outreach information, as well as specific information, on both populations. The draft should be available for comment by early summer.

UPDATE ON DATA REPORTING REQUIREMENTS

Measurement is a critical component of the GPRA. HCFA and State representatives have worked in tandem on the data elements of this GPRA measure during a series of conference calls with State designees and at the March 8 meeting just before the "Reach Out" conference. Together, we identified the data source to be used in determining baseline enrollment figures, the methodology for determining the number of potentially eligible beneficiaries, and a tentative method for setting enrollment targets. A brief discussion of these data elements follows. A more detailed discussion of the methodology is enclosed. Further description of the baseline data sources and the methodology for determining the number of potentially eligible beneficiaries is contained in the conference binder. We are providing another opportunity for State feedback on this methodology because we realize several States were unable to participate in the March 8 meeting.

Baseline -The first step in the process to measure increased enrollment is to determine the number of enrolled dual eligibles - the baseline. Once the baseline is known, future measurements off the baseline will determine the additional beneficiaries enrolled. After evaluating the currently available data sources, including the Medicare Buy-in file, we decided in consultation with States that State reported data would be the most complete and reliable source for determining the baseline of enrolled dual eligible beneficiaries at this time. However, the success of this methodology depends on your willingness to provide initial baseline enrollment figures, as well as the quarterly enrollment figures for these categories: Qualified Medicare Beneficiaries (QMBs), Specified Low Income Medicare Beneficiaries (SLMBs), Qualifying Individuals (QIs, both QI-1s and QI-2s), and all other dual eligible beneficiaries. The sum of these categories should equal the total enrollment number for all beneficiaries entitled to Medicare and eligible for Medicaid in your State. In the absence of State reported data, we will set the baseline for your State using information from the HCFA Medicare Buy-in file.

In anticipation of the need for this data, baseline enrollment figures for your State were requested as part of the State survey conducted

by APHSA. We enclosed a summary chart that reflects enrollment information reported as part of this survey. Please review this data and determine if it accurately reflects your State's enrollment in all dual eligible programs as of September 1998. A representative from your HCFA Regional Office will be contacting the designee you have previously appointed as a liaison for this GPRA measure to discuss your enrollment figures. If you have not yet assigned a designee, or would like to check or change the name of your State designee, please contact Donna Wenner at (410) 786-6608.

Eligible But Not Enrolled -To set a realistic enrollment target, we needed to determine the number, or percent, of potentially eligible beneficiaries not currently enrolled in the program. HCFA contracted with the Actuarial Research Corporation to estimate this figure. Similar to other studies that have recently been published, they found that nationally 46 percent of those potentially eligible are not enrolled in the program. Although we believe that the findings are a close approximation to the actual percentage at the national level, due to limitations in the data, we do not have confidence in these numbers when converted to a State level. Therefore, we do not intend to release potential enrollment figures by State. For this same reason, we have not relied heavily on potential enrollment figures in the development of the methodology for setting the enrollment target.

Target -For each of the two years in this GPRA goal, we will strive toward a specific increase in enrollment, also known as the "target." The approach arrived at with those State Representatives present at the "Reach Out" conference sets only a national target to be reached for the first year. However, we will monitor the contribution of each State in the achievement of this goal through an examination of State specific data. Based on past enrollment trends, **a national target increase percentage of 4 percent has been set for the first year of the GPRA goal, ending September 2000**. If a State's accomplishments in enrollment do not appear to be commensurate with the national target, a State specific goal may be set for the second year. However, before we take action we will consider a number of State specific factors including the State's enrollment trend for the last three years, outreach activities being conducted, percentage of enrollment compared to potential enrollment figures, and the percentage of the allotment of Qualifying Individuals enrolled.

UPDATE ON THE SIMPLIFIED ENROLLMENT PROCESS

While conducting our research, we consistently identified the enrollment process as a barrier to enrollment of dual eligible beneficiaries. Once again, we encourage you to simplify your application and enrollment process. We are prepared to work with interested States to design and approve Optional Medicaid Eligibility Quality Control (MEQC) pilots that target service delivery to dual eligibles. The pilot should measure the impact of reducing enrollment obstacles, identify potential eligibles for enrollment in State buy-in to Medicare, or otherwise evaluate means to promote the Medicare buy-in programs targeted to elderly and disabled individuals under Title XVIII and XIX of the Social Security Act. As identifying and enrolling dual eligibles are high priorities for the Agency, we will allow the maximum flexibility in the design of these programs possible. Please contact your Regional Office for more information on the MEQC pilots. Additionally, as you are conducting outreach activities for the CHIP, we encourage you to include information on the dual eligible programs as there may be elderly or disabled family members in the household, or under the care of the CHIP decision maker.

While HCFA has the primary responsibility for this measure, success will largely depend upon the assistance we receive from our State, Federal, local, and advocacy partners. Your cooperation thus far has been invaluable in the progress already made. HCFA remains committed to the success of this effort and considers the enrollment of dual eligibles a top priority for the Agency. Similar to the support you have shown for the CHIP, we ask that you continue your assistance in this effort.

If you have any questions or would like any additional information, please contact Gina Clemons of my staff at 410-786-9644, GClemons@hcfa.gov.

Sincerely,

/s/

Sally K. Richardson

Director

Enclosures:

1 Summary of Activities

2 Comparison of State and Federal Data on Dual Eligible Enrollment

3 Proposed Method for Setting GPRA Goal 1 Target and for Monitoring State Enrollment Rates

4 "Reach Out: A Cooperative Effort by Stakeholders" conference binder - For a copy of this document please contact Gina Clemons of my staff at 410-786-9644, GClemons@hcfa.gov.

cc: All HCFA Regional Administrators

All HCFA Associate Regional Administrators for Medicaid and State Operations
Lee Partridge American Public Human Services Association
Joy Wilson National Conferences of State Legislatures
Matt Salo National Governors' Association

SUMMARY OF ACTIVITIES

List of Current Accomplishments

- ˜ Since August 1998, HCFA has conducted weekly tele-conferences with a national workgroup composed of HCFA Medicare and Medicaid Central and Regional Office staff, three State Medicaid Agencies, the Social Security Administration, the State Health Insurance Assistance Program (SHIP), the Health Resource Services Administration (HRSA), and the Association of Public Health Service Administrators (APHSA) to gather information concerning past and current activities that educate, identify, and enroll the dual eligible population.
- ˜ On October 16, 1998, HCFA issued an all States letter outlining the GPRA project and encouraging States to simplify their enrollment process. The letter also contained examples of simplified applications.
- ˜ In November 1998, APHSA surveyed all States concerning their outreach efforts. State-specific data has been kept confidential. HCFA is receiving only aggregate data to perform necessary analysis.
- ˜ Under contract with HCFA, the Barents Group conducted interviews with advocate organizations, State agencies, tribal officials, local organizations, and religious affiliations around the country concerning their perspective on why potential eligibles were not enrolled in addition to completing a demographic profile of the dual eligible population.
- ˜ Also under contract with HCFA, the Actuarial Research Corporation determined a methodology for determining the number of potential eligible beneficiaries.
- ˜ HCFA conducted two national tele-conferences with States in November 1998 and February 1999 to explain the project, to receive State input, and to establish a State designee with whom HCFA could work.
- ˜ HCFA hosted a March 8-10, 1999 national dual eligible conference, which was attended by public and private partners. The purpose of the conference was to obtain input and buy-in for this effort. Through the efforts of more than 200 participants, including 33 States, a summary was produced of issues, challenges, and recommendations in the areas of outreach, simplification of the enrollment process, and data for administering the program and accomplishing the GPRA goal.
- ˜ HCFA worked with SSA on the design of their demonstration which tests various levels of additional SSA participation in the enrollment process for dual eligibles. The project was implemented in seven States, beginning in March 1999.
- ˜ A work group comprising HCFA and State representatives is investigating recommendations made by States and other partners to evaluate potential avenues for federalizing the dual eligible programs.

Upcoming Events

- HCFA is working with the SSA, HRSA, and American Association of Retired Persons (AARP)
- to conduct five regional training sessions on dual eligible outreach and enrollment. The training sessions will begin in September. Representatives from the SSA, HCFA, HRSA, community health centers, States, Tribes, SHIPs, and the beneficiary and provider community will be invited to the training sessions providing the opportunity for all stakeholders to work collaboratively on State specific issues.
- ˜ Using the information that has been collected, HCFA is creating a Resource Guide as a tool for States, Tribal, local, and beneficiary groups to use in designing an outreach and enrollment campaign for the dual eligible and Children's Health Insurance Program (CHIP). The Guide will be available for comment in early summer.
- ˜ In addition to the Resource Guide, HCFA is developing an Outreach Kit for the dual eligible population. The Outreach Kit will provide actual models that State, tribal, local, religious, and beneficiary groups can modify to conduct their own outreach and enrollment campaigns, with minimal resources. The Resource Guide will include model elements such as posters, pamphlets, educational presentations (overheads and handouts), speakers' notes, newsletter articles, a glossary of common terminology, and a planning and implementation guide.
- ˜ HCFA is currently pursuing three projects designed to enhance SHIP outreach to the dual eligible population. The projects include:
  - Using the Research Guide that is being created as a starting point, the Guide will be enhanced to focus on SHIP outreach activities. This project will identify exemplary practices in the area of outreach and enrolment assistance, assess and select exemplary practices, and promote those exemplary practices.
  - A project is underway to develop a competitive supplemental grant solicitation process to support new projects on enrollment promotion. The purpose of these grants is to stimulate and fund innovation SHIP projects aimed at increasing enrollment in State dual eligible programs.
  - A training module is being developed to assure that SHIPs have the most current information on the State dual eligible programs and proper training on counseling techniques for these programs. This comprehensive training module will expand on the Outreach Kit that is being developed to be SHIP specific and will be developed by the end of the year.
- HCFA is working with the Administration on Developmental Disabilities to contract with the National Association of Protection and Advocacy Services to fund four one-year pilot projects with the States of Washington, Michigan, Georgia, and New York. The Association will focus on one-on-one consumer assistance, including outreach, pre-screening, and enrollment navigational assistance for potential dual eligibles.

Comparison of State and Federal Data on Dual Eligible Enrollment

State	Number on Buy In (mil)	Number Reported by State	Number to be Used as Baseline
Alabama	0.124	0.124	0.124
Alaska	0.007	0.007*	0.007
Arizona	0.052	0.054	0.054
Arkansas	0.079	0.078	0.078
California	0.781	0.775~	0.775
Colorado	0.053	0.053	0.053
Connecticut	0.052	0.048*	0.048
Delaware	0.009	0.003*^	0.003
District Of Columbia	0.014	0.007	0.007
Florida	0.319	No data	0.319
Georgia	0.017	0.046^~	0.046
Hawaii	0.019	0.019	0.019
Idaho	0.015	0.004*^	0.004
Illinois	0.148	0.150	0.150
Indiana	0.080	0.080	0.080
Iowa	0.050	0.050	0.050
Kansas	0.040	0.039	0.039
Kentucky	0.107	0.101*~	0.101
Louisiana	0.115	No response to survey	0.115
Maine	0.034	No response to survey	0.034
Maryland	0.062	0.062	0.062
Massachusetts	0.141	0.136~	0.136
Michigan	0.138	0.126*	0.126
Minnesota	0.058	0.057	0.057
Mississippi	0.106	0.087*^	0.087
Missouri	0.083	0.117	0.117
Montana	0.012	0.024	0.024
Nebraska	0.018	0.028	0.028
Nevada	0.018	0.012^	0.012
New Hampshire	0.006	No response to survey	0.006
New Jersey	0.142	No response to survey	0.142
New Mexico	0.035	0.038	0.038
New York	0.367	0.470#	0.470
North Carolina	0.212	No data	0212
North Dakota	0.006	0.012	0.012
Ohio	0.181	0.142*	0.142
Oklahoma	0.064	No response to survey	0.064
Oregon	0.053	No response to survey	0.053
Pennsylvania	0.190	0.085#	0.085
Rhode Island	0.018	No response to survey	0.018
South Carolina	0.106	0.141#^>	0.013
South Dakota	0.013	0.013	0.013
Tennessee	0.172	No response to survey	0.172
Texas	0.343	0.350	0.350
Utah	0.015	0.013	0.013
Vermont	0.013	No response to survey	0.013
Virginia	0.109	No response to survey	0.109
Washington	0.090	0.081	0.081
West Virginia	0.043	0.013	0.013
Wisconsin	0.075	0.072	0.072
Wyoming	0.006	0.006	0.006
All States	**5.064**		**5.381**

* indicates that state could not include count of Medicaid only dual eligibiles
# indicates that state could not include count of QWDI dual eligibiles
^ indicates that state could not include count of QMB Plus and or SLMB Plus
~ indicates that state could not include count of QIs
> indicates that state could not include count of QMB or SLMB

PROPOSED METHOD FOR SETTING GPRA GOAL 1 TARGET AND FOR MONITORING STATE ENROLLMENT RATES May 26, 1999

COMMENTS DUE TO GINA CLEMONS BY JUNE 16, 1999

YEAR ONE TARGET (Federal Fiscal Year 2000, September 1999 - August 2000)

National Target

The year one target will be a national target of a 4 percent increase over a baseline. The actual target will measure the enrollment of all dual eligibles and will be set as a numerical figure. The baseline will be set based on State reported data or a proxy based on the HCFA Buy-In System. The fixed percentage increase over the baseline will be the sum of the expected "natural" growth rate of dual eligible enrollment in the fiscal years 1999 and 2000 and it will be increased by a GPRA improvement factor (the AVIS factor). This formula will be converted into an absolute numerical target.

Monitoring

Progress toward this target will be monitored at the State level. States will be given goals derived by using the same methodology as the national targets, but on a State level. On a quarterly basis, States will discuss with their HCFA regional offices, State dual eligible enrollment figures for the following subcategories: 1) QMBs and QMB pluses, 2) SLMBs and SLMB pluses, 3) QI1s and QI2s, and 4) all other duals (all individuals entitled to Medicare and eligible for some other subcategory of Medicaid not previously listed). The purpose of monitoring State performance is to help ensure that the national target is met.

YEAR TWO TARGET (Federal Fiscal Year 2001, September 2000 - August 2001)

National Target

In the second year, HCFA will also set a national target using the same methodology as in the first year. Also, some of the States that did not meet their year one State goals will have State-specific enrollment targets set in accordance to the following methodology.

Methodology for Determining State Enrollment Targets

Each quarter, using State reported data, or HCFA data where not submitted by the State, HCFA will compare the number of enrolled dual eligibles in the State to the State enrollment goal established using the national target methodology. If the State increase in enrollment for the year is greater than the State monitoring goal, the State will not be considered for State specific enrollment targets in the next year. If a State's enrollment increase is less then the State's goal, HCFA will review the State against a number of other factors (filters) to determine if a State specific enrollment target should be set for the State. These filters include:

1. Average Three Year Enrollment Rate - If a State has an enrollment growth rate for duals that is lower than the national average, HCFA will examine the State's three year average State enrollment growth rate for duals. If a State's three year enrollment growth rate for duals is significantly greater than the national rate, the State will not receive a State specific target.
2. The Dual Eligible Penetration Rate - The percentage of potential beneficiaries who are participating in a dual eligible program. This percentage will be derived by comparing the State reported enrollment numbers against the total number of potential eligibles, as calculated using the methodology developed by the Actuarial Research Corporation (ARC). Once a State specific percentage is determined, the State rate will be compared to the national estimate of potential duals who are enrolled. If the State rate is above the national rate, the State will not receive a State specific target
3. Allotment for the Qualifying Individual Program- If a State has utilized 90 percent of the allotment that is available for the Qualifying Individual Program, the State will not receive a State specific target. As rationale, it is assumed that the State has undertaken significant outreach and enrollment efforts to enroll this population, and would have identified individuals eligible for the other programs in the course of doing so.
4. Outreach Activities If a State is below the national average for potential eligibles and three year trend rate, and has not met the 90 percent requirement for the QI program, HCFA will examine the State's activities directly related to enrollment of the dual eligible population. To be considered, these activities must be reported to the HCFA regional offices in the quarter following in which they occurred. A State that has made a good faith effort to conduct a number of activities directly related to enrollment of the dual eligible population will not receive a State specific target.

State Specific Enrollment Targets

For a State that did not meet the national target in year one AND has less than average enrollment of potential dual eligibles AND an average or less than average three year enrollment rate for dual eligibles AND failed to make a good faith effort to conduct activities directly related to the enrollment of the dual eligible population, HCFA and the State will work together to set a State-specific target.

Monitoring

Progress toward the national target will be monitored at the State level like in year one. Additionally, State targets, where set, will also be monitored.

REPORTING REQUIREMENTS - STATE SPECIFIC

HCFA Regional Office representatives will work with States to get the data elements that are necessary for this GPRA measure.

State Average Three Year Enrollment Rate

Prior to the start of FY 2000, States will report to HCFA through the regional offices, enrollment of dual eligibles for the three years prior to October 1, 1999.

State Quarterly Enrollment Figures

On a quarterly basis, States will discuss with their HCFA regional offices the dual eligible enrollment figures for the following subcategories: 1) QMBs and QMB pluses, 2) SLMBs and SLMB pluses, 3) QI1s and QI2s, and 4) all other duals (all individuals entitled to Medicare and eligible for some other subcategory of Medicaid not previously listed).

Outreach Activities

These activities will be discussed during State and HCFA regional office calls, and tracked by the regional offices.