

July 11, 2008

Richard Daines, M.D., Health Commissioner
New York State Department of Health
Partnership for Coverage
Empire State Plaza
Corning Tower, Room 2001
Albany, New York 12237

Eric Dinallo, Insurance Superintendent
New York State Insurance Department
Partnership for Coverage, Suite 1700
One Commerce Plaza
Albany, New York 12257

Dear Commissioner Daines and Superintendent Dinallo:

We thank you very much for welcoming comments on The Urban Institute's modeling methodologies for the State's Partnership for Coverage Initiative. Based on our advocacy for the Child Health Plus expansion as well as our policy research on public health insurance program simplifications, the Children's Defense Fund-New York (CDF-NY) would like to submit comments specifically on the "Combined Public-Private Modeling Parameters".

CDF-NY applauds the public program simplifications chosen to be analyzed by The Urban Institute. We appreciate the difficulties involved when modeling program simplifications, and are pleased that the potential impact that program simplification will have on enrollment is being considered seriously. CDF-NY believes the foundation of a successful public program expansion lies in the simplification of the application and renewal pathways. Unless public programs become easier to navigate, we will not be able to achieve comprehensive and continuous coverage for every uninsured New Yorker.

The proposed program simplifications to be modeled—the Enrollment Center, auto-enrollment and auto-renewal from other public benefits, the elimination of the face-to-face interview at application, consolidating categorical eligibility, eliminating the finger imaging requirement for single and childless couples, and less frequent renewals—will make it considerably easier for families to apply for and maintain their coverage. We are thrilled that these core simplification measures were chosen to be modeled by The Urban Institute and look forward to the results of this endeavor.

We would, however, like to add two additional program simplifications to be modeled: (1) the elimination of documentation requirements at application; and (2) the elimination of the adult asset test. We are also respectfully requesting that the modeling of the elimination of finger imaging be expanded to include all adults, not only single and childless couples.

Eliminate Documentation Requirements at Application

Eliminating the income and residency documentation requirements at application would make it significantly easier for families to access coverage. Based on the anecdotal experiences of facilitated enrollers, families require the most assistance when trying to prove their income—especially those who do not receive regular paychecks or for those afraid to ask their employer for proof of their income.¹ Documenting one's residence can be an insurmountable obstacle for families who are living with friends or relatives and who do not have their name on the lease, gas or phone bill.

Nationwide, nine states allow for self-attestation of income in their children's health insurance programs.² New York is one of only seven states to require documentation of home address for families seeking children's coverage.³ There is no federal requirement for states to request documentation of either income or residency. Rather, states are required to use electronic data systems to verify applicants' income.⁴

States that have allowed self-attestation of income have experienced a notable increase in enrollment with considerably lower error rates.⁵ Eliminating documentation at application will also ease staff efficiency and alleviate the burden placed on local districts associated with processing income documentation. Eleven out of 12 states surveyed on their self-attestation policies reported faster eligibility determinations and increased productivity.⁶ Due to New York's new policy of eliminating documentation requirements at renewal, the state is primed to extend this policy at application. It would not only increase enrollment without compromising program integrity, but also achieve administrative savings by increasing local district production.

Eliminate the Adult Asset Test for Medicaid and Family Health Plus

The Urban Institute should model the elimination of the adult asset test for Medicaid and Family Health Plus (except for long-term services) as it occurs for child programs because the existing requirement serves as a major barrier to enrollment.

The asset test punishes families for trying to plan for their future and attain economic sustainability by building their savings. In particular, retirement funds such as IRAs, 401(k)s and Keogh accounts that are not readily accessible to families until retirement are counted as resources when determining assets. The asset test deters eligible applicants from trying to navigate the application and renewal forms that ask complicated and difficult to understand questions regarding their savings. It is also administratively burdensome for local district staff and states that have eliminated the asset test to report increased enrollment, administrative efficiencies and no significant increase in their error reports.⁷

In a survey of nine states that eliminated the asset test, officials reported an increase in enrollment as a result of eliminating the asset test along with other policy simplification changes.⁸ In a study of Current Population Survey Data, the elimination of the asset test resulted in a 6.1 percent increase in combined Medicaid and State Children's Health Insurance Program (SCHIP) Enrollment.⁹ Based on these experiences, New York should explore the potential yield of the elimination of this burdensome requirement by including it in its simplification modeling.

Expand Modeling of the Elimination of Finger-Imaging from Single and Childless Couples to All Adults

We are respectfully requesting the Urban Institute expand its modeling of the elimination of finger imaging to include not only single and childless couples, but to all adults applying for Medicaid. Although the finger imaging requirement is not implemented statewide, it has the potential for serving as a major barrier to enrollment if all counties were to begin implementing this mandate. Requiring a Medicaid applicant who has already met with a facilitated enroller in their community to schedule an additional appointment at a local district to get finger printed will deter many families from following through with their health insurance application or maintaining their coverage. The very serious criminal stigma associated with finger printing will sour many families from seeking health insurance coverage. Additionally, because 80 percent of the uninsured are either working or the dependents of workers, we know that families who are working in low-wage jobs that do not provide for sick or vacation days will simply not be able to miss a day of work to fulfill the requirement of meeting at a local district and, therefore, will not be able to access health coverage.

The finger printing requirement could not only affect single and childless couples but all adults including parents. Studies show that a child's access to health insurance is directly impacted by their parent's access to health insurance. If parents lose their coverage because they are unable to follow-through with this requirement, we fear that children's health insurance coverage will also be compromised. We are therefore hoping that The Urban Institute will expand the scope of its modeling to include all adults, including parents.

We thank you again for allowing the Children's Defense Fund-New York to submit comments on the Urban Institute's modeling health insurance coverage options. We believe that the simplifications already included in the modeling parameters, coupled with these additional recommendations, will help guide New York towards a blueprint for true health insurance reform. We applaud the Departments of Insurance and Health for undertaking this major initiative and we offer our assistance and partnership as you move towards developing a comprehensive and affordable health insurance plan for all New Yorkers.

Sincerely,

¹ Kate Lawler, "Reality Check: A View From the Front Lines of Public Health Insurance Enrollment," *Children's Aid Society*, March 2003.

² Donna Cohen Ross, Laura Cox, and Caryn Marx, "Resuming the Path to Health Coverage for Children and Parents: A 50 State Update on Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and SCHIP in 2006," Center on Budget and Policy Priorities and Kaiser Commission on Medicaid and the Uninsured, January 2007.

³ Donna Cohen Ross and Laura Cox, "In a Time of Growing Need: State Choices Influence Health Coverage Access for Children and Families," Center on Budget and Policy Priorities and Kaiser Commission on Medicaid and the Uninsured, October 2005.

⁴ Danielle Holahan and Elise Hubert, "Lessons from States with Self-Declaration of Income Policies," United Hospital Fund, 2004.

⁵ U.S. General Accounting Office, "Medicaid and SCHIP: States' Enrollment and Payment Policies Can Affect Children's Access to Care," (GAO-01-883), September 2001; Catherine Penn and R. Staib, "Income Self Declaration Boosts Enrollment for Healthy Start/Healthy Families," Ohio Department of Job and Family Services, Cuyahoga Health and Nutrition, Project Number 11P-91269/05-01, January 2002.

⁶ *Supra* note 4.

⁷ Vernon Smith, Eileen Ellis, and Christina Chang, "Eliminating the Medicaid Asset Test for Families: A Review of State Experiences," Health Management Associates and the Kaiser Commission on Medicaid and the Uninsured, April 2001.

⁸ *Id.*

⁹ Karl Kronebusch and Brian Elbel, "Enrolling Children in Public Insurance: SCHIP, Medicaid and State Implementation," *Journal of Health Politics, Policy and Law*, Vol. 29, No. 3, June 2004.