



Connecticut Health  
FOUNDATION



## Policy Brief

July 2015

### Ensuring Continuous Coverage for HUSKY Parents: Lessons and Strategies from the Rhode Island Experience

#### KEY TAKEAWAYS FOR ADVOCATES, POLICY MAKERS AND THE ENROLLMENT COMMUNITY

Despite taking different positions when rollbacks were debated, once enacted, stakeholders can unite in a shared goal of keeping as many HUSKY parents covered as seamlessly as possible.

- **Advocates and policy makers should partner on designing policy solutions.**  
In face of eligibility rollbacks, advocates and policy makers in Rhode Island partnered to secure budget provisions and policies to mitigate the impact on families, like automatic Medicaid eligibility redetermination for all affected parents and a state premium assistance program.
- **Advocates and the enrollment community should help implement state outreach strategies.**  
Rhode Island advocates immediately became involved in planning the implementation of rollback-related outreach, ensuring that the process was as consumer friendly as possible. Connecting those affected by the change with trusted messengers who can bring information to consumers in their communities can ensure that outreach is culturally and linguistically competent and increase its effectiveness.

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#### BACKGROUND: 2015 HUSKY PARENT ELIGIBILITY CHANGE

Facing a large projected budget shortfall, the Connecticut General Assembly passed a budget in June 2015 that decreases the income eligibility level for parents enrolled in HUSKY A, the state's Medicaid program. Set to go into effect on August 1, 2015, parental eligibility will be rolled back from 201 percent to 155 percent of the Federal Poverty Level (FPL). The assumption is that the estimated 23,500 affected parents will purchase a subsidized commercial plan through Access Health CT, the state's health insurance marketplace, at no cost to the state.<sup>1</sup>

Stakeholders — including advocates, health and human service agencies, the Department of Social Services, which administers HUSKY and AccessHealth CT — will need to work together to keep as many of the affected parents insured as possible, either through alternate Medicaid eligibility pathways or through commercial coverage. Connecticut will have two waves of affected parents. About 22,000 have some earned income and are expected to receive 12 months of HUSKY coverage through Transitional Medical Assistance (TMA). The approximately 1,500 remaining parents face loss of HUSKY coverage when the policy goes into effect this year, and those in the former income eligibility band who had not yet enrolled will no longer have HUSKY as an option. In the short term, policy solutions and outreach are needed for those impacted by the first wave, with more time to plan the transition for the majority who will be in the second wave.

What is known from the experiences of other states that have implemented similar eligibility rollbacks is that keeping people covered is a challenge. With the greater expense of commercial plans, many affected parents are likely to become uninsured, according to [analysis](#) commissioned by Connecticut Health Foundation.<sup>2</sup>

This case study examines the Rhode Island experience to inform the planning and design of Connecticut strategies in order to make this transition as successful as possible.



## THE RHODE ISLAND EXPERIENCE: SIMILARITIES AND DIFFERENCES

Rhode Island reduced parental eligibility levels for RItE Care, its Medicaid program, when the state faced a similar budget shortfall. The state's 2014 budget reduced parental eligibility from 175 percent FPL to the Affordable Care Act minimum Medicaid eligibility level of 138 percent FPL. Every affected parent was reviewed for continued Medicaid eligibility under a different pathway (e.g. pregnancy, disability), as Connecticut plans to do. And Rhode Island policy makers expected that parents determined to be ineligible for Medicaid would remain insured by transitioning to commercial plans purchased through the marketplace, HealthSource RI (HSRI).

### KEY DIFFERENCE: ELIGIBILITY ROLLBACK TIMELINE

#### Rhode Island's Advantage:

**There were six months between the budget passage and the effective cut in eligibility; in Connecticut, there are less than two months until the first wave of parents will be affected by the rollback.** Rhode Island's additional months offered obvious benefits to the planning and implementation of outreach efforts.

#### Connecticut's Advantage:

**Parents will transition to marketplace plans at a separate time from the state's open enrollment period.** In Rhode Island, parents had to be enrolled in marketplace plans during the chaos of round one open enrollment. Connecticut has opportunities to design specific resources and navigation supports for HUSKY parents before round three open enrollment noise picks up come November. Additionally, there is planning time between the two waves of parents losing eligibility, with parents with earned income receiving a year of coverage through TMA.<sup>3</sup>

#### Connecticut Rollback Timeline

| WAVE ONE  | WAVE TWO   |
|---|--|
| <p><b>August 1, 2015:</b> 1,500 parents to lose HUSKY eligibility; no new enrollments of parents in the 156-201 percent FPL income range</p>  | <p><b>August 1, 2016:</b> After 12 months of HUSKY coverage through transitional medical assistance 23,000 parents to lose HUSKY eligibility</p> |
| <p>For both waves, Connecticut will determine if parents are eligible under another HUSKY category or attempt to help transition them to commercial coverage through Access Health CT</p> |  |

### KEY TAKEAWAYS FOR ADVOCATES, POLICY MAKERS AND THE ENROLLMENT COMMUNITY *(continued)*

- Dedicated resources should be created for affected parents.** The rollback in Connecticut will begin affecting some of the parents outside of an open enrollment period. There are opportunities to create resources dedicated to helping parents with the transition to commercial insurance plans, such as specialized hotlines, as well as brokers and assisters knowledgeable about how this policy change affects consumers.
- Data should be actively collected and used to inform transition efforts.** Collecting data about the enrollment outcomes of affected families will inform subsequent outreach and enrollment efforts and enable the state to understand the actual human and budget impacts of such a change later.

*Parents will transition to marketplace plans at a separate time from the state's open enrollment period.*

## RHODE ISLAND'S EFFORTS TO KEEP PARENTS INSURED: WHAT WORKED WELL AND NOT-SO-WELL

### EFFORT ONE

#### State budget provisions that eased the consumer's economic burden

**Problem:** Some parents would not transition to commercial plans because of the economic shock of new/additional premiums and cost sharing.

**Solution:** Inclusion of budget provisions designed to insulate families from the full economic impact of the policy change.

- Eliminated premiums for all children in Rite Care — Families above 150 percent FPL formerly paid premiums for their children's Rite Care coverage; with this provision, no families would have to "stack" two premiums, but would only have the HSRI premium for parental coverage.
- Implemented state premium assistance program, on top of federal subsidies — To reduce the shock of HSRI premiums, Rhode Island supplemented the federal subsidy with a premium assistance program designed to pay half of marketplace plan premiums in 2014.

**Result: Partially Successful** — While the program reduced financial burdens for those who used it, there was low take-up of the state premium assistance program, as it was not well-publicized or well-integrated into the system and required a separate application.

### EFFORT TWO

#### Eligibility redeterminations

**Problem:** Some parents made ineligible on the basis of income would still be eligible for Rite Care under another pathway (e.g., pregnancy, disability, or income below 138 percent FPL).

**Solution:** The state redetermined the Rite Care eligibility of all individuals affected by the rollback, first through utilizing an ex parte (administrative) review process.

- Second, advocates worked with state officials to tailor a redetermination questionnaire with the goal of having individuals identify themselves if they were eligible for continued Medicaid coverage under another category.

**Result: Very Successful** — Ultimately, 24 percent of the affected population remained in Rite Care after redetermination. The success of the effort supports the best practice of screening all low-income parents for eligibility under other criteria.

### EFFORT THREE

#### Notices and outreach sent to affected families

**Problem:** Past experience suggested that the quality and clarity of notices and outreach to affected families would impact the success of the transition.

**Solution:** Advocates immediately began influencing the form, content, and timing of notices parents received. Stakeholders helped to review drafts and to coordinate outreach efforts to ensure the messages about the rollback came from multiple trusted sources.

- Rhode Island's outreach and enrollment group included diverse stakeholders such as the state's consumer assistance program, community health centers, and Neighborhood Health Plan of Rhode Island (NHPRI), a Medicaid managed care plan that hoped tax credit-eligible parents would transition to its marketplace plan option.

**Result: Likely Successful** — Although the impact is difficult to precisely determine, increasing the visibility and readability of notifications likely had a positive impact.

### EFFORT FOUR

#### Smoothed transition to health insurance marketplace

**Problem:** Parents would have to purchase a commercial plan during the open enrollment period, when Rite Care, HSRI, and the Navigators' capacity to assist them would be spread thin.

**Solution:** Automate initial commercial plan enrollment, and create an easy pathway for parents to continue on commercial coverage.

- The state provided one month of no-cost commercial coverage — All parents who were determined ineligible for Medicaid were enrolled in a commercial plan, with the first month of coverage provided at no cost to the consumer; advocates treated this month as a buffer period to educate parents about the transition to marketplace coverage.
- Advocates pushed for the state to set up pre-populated HSRI accounts for parents with an assigned login and temporary password, so that individuals could easily sign up to continue their commercial coverage.

**Result: Likely Unsuccessful** — While advocates view the no-cost month as valuable time to educate consumers, they report that few parents gained coverage through the pre-populated accounts because of technical challenges and low uptake.

## RHODE ISLAND OUTCOMES: PARENT COVERAGE CONTINUITY & STATE BUDGET IMPACT

Despite these efforts, many parents lost coverage in Rhode Island’s transition, exemplifying the risk that such a policy change could result in thousands becoming uninsured. Due to data deficiencies, coverage outcomes for every one of the 6,574 parents subject to the eligibility rollback is not available. What is known (also see figure below):

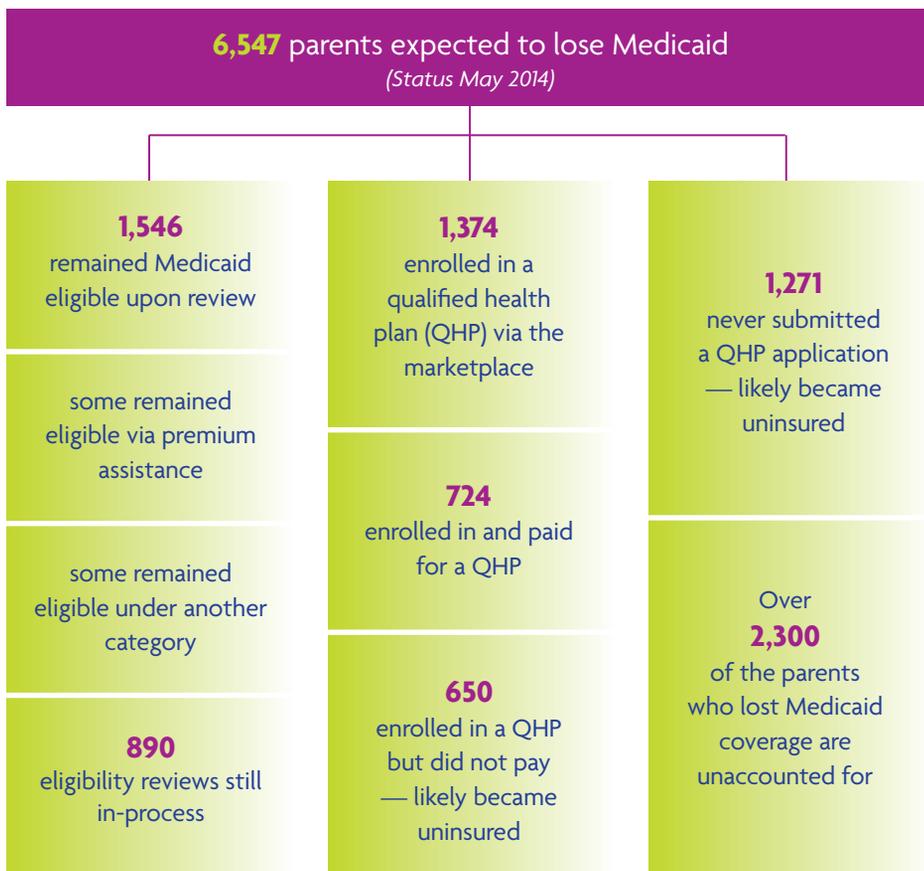
- **24 percent** remained eligible for other categories of Rite Care thanks to redetermination
- **11 percent** enrolled in a plan through HSRI and paid their premiums, starting coverage
- **10 percent** enrolled in a QHP but never made a payment; they likely became uninsured
- **19 percent** never submitted an application to enroll in a QHP; they likely became uninsured
- Almost **36 percent** of the parents who were subject to the rollback are unaccounted for

Advocates in Rhode Island note that better data collection would have allowed the state to better understand and address the impact of the rollback. Without data on churn within and between HSRI and Rite Care, it is impossible to know if parents who originally remained covered have subsequently lost coverage.

The Rite Care rollback, which was implemented as a state cost saving measure, ultimately realized only \$3.4 million in savings, compared to a projected \$5.6 million.

### Data on Rhode Island Parents Affected by Rite Care Eligibility Rollback

#### WHEN RHODE ISLAND CUT MEDICAID



## CONCLUSION

Overall, the experience of rolling back parent eligibility in Rhode Island demonstrates the importance of sustained relationship building over time. Existing relationships between advocates, policy makers, state agencies, and organizations serving communities enabled immediate collaboration when time-sensitive implementation decisions needed to be made.

Unanswered questions about the longer term outcomes of eligibility rollback — notably, did affected parents remain covered in some way? and what are the characteristics of those who did and did not? — demonstrate the imperative to improve data collection and reporting related to Medicaid and marketplace enrollment.

These factors are two important building blocks in Connecticut’s collaborative efforts to ensure that the needs of the state’s communities are served as this policy change goes into full effect over the course of the next year.



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## ENDNOTES

1. Estimates of affected populations are from the Connecticut Office of Policy Management.
2. Gershon, R., London, K., & Seifert, R. (2015). *How Proposed HUSKY Cuts Will Harm Low Income Families*. Available at <http://www.cthealth.org/publication/proposed-husky-cuts-low-income-families-2015/>.
3. Connecticut parents with earned income are eligible for one year of transitional medical assistance because of the 2004 case *Rabin vs Wilson Coker*, decided by the 2nd Circuit Court of Appeals, which has no jurisdiction over Rhode Island.

## ABOUT COMMUNITY CATALYST

Community Catalyst is a national, non-profit consumer advocacy organization founded in 1998 with the belief that affordable, quality health care should be accessible to everyone. We work in partnership with national, state and local organizations, policy makers, and philanthropic foundations to ensure consumer interests are represented wherever important decisions about health and the health system are made: in communities, courtrooms, statehouses and on Capitol Hill.

For more information, visit [www.communitycatalyst.org](http://www.communitycatalyst.org).



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