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**The Medicaid Proof of Citizenship Requirement: Lessons for  
California from the Experience of Other States  
Part II  
California HealthCare Foundation  
August 28, 2008**

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**DONNA COHEN ROSS:** We'll just start. I'm glad to be back but now in a whole different light moderating this next panel, which I'm really pleased to do. We're going to talk a little bit about some specific work that's been done in individual states to kind of get under the surface of what the SIDOC [misspelled?] requirement has meant and I'll tell you a little bit about that in a minute. But I think Ingrid mentioned this before; I want to repeat enjoy your lunch as we're talking and we'll just keep going.

Mike just said to me that he always gets somebody who really likes him to write his bio [laughter] and I just want to kind of, the corollary to that is he now has someone who really likes him to introduce him. Both of our speakers, Mike Fogarty from Oklahoma and Judith Cash from Virginia are two people who I've had the privilege of getting to know and working with around this citizenship documentation issue.

In both cases, we've talked on the phone, we've strategized, we've pulled our hair, we've commiserated with one another but they both represent two very different approaches to trying to tell the story of what has occurred in their respective states, Oklahoma and Virginia, with respect to citizenship documentation.

They both have lengthy, very impressive bios, which I think I am just going to not read partly because I want them

to have a chance to impart their experience and wisdom to all of you. But I will just say that Judith is the Deputy Director of the Virginia Health Care Foundation and in this role, she's responsible for all of the Foundation's grant making and special initiatives. And I think the study she's going to talk to us about was indeed a special initiative.

One of the reasons we asked Judith to participate is because, I could be wrong about this but I do think that because of the work that the Health Care Foundation has done, Virginia's the only state that I know of that has really done a very rigorous survey of families to ask them what their experience has been with trying to comply with this requirement and what has happened to the children who have had their health coverage either delayed or denied as a result.

So it's a very aggregate story but also a very personal story that she's going to tell and I'm really pleased that Judith is joining us. As she and I were saying, we're actually kind of neighbors but we come 3,000 miles to hang out together and have lunch together and I'm pleased about that.

The second person who's going to speak to us is Mike Fogarty. He's the Chief Executive Officer of the Oklahoma Health Care Authority. And he's thought a lot about this and done a lot of work to again tell the story in a very

compassionate and irreverent way, which I know that you will enjoy hearing but also will understand because Mike will convey to you how serious this is with all the irony and kind of bizarre things that sometimes occur. It is really a very serious situation and the Oklahoma story is one that needs to be told.

I'm going to turn it over to Judith and then to Mike. Again, as Ingrid has asked me to talk about some other states very briefly at the end, but I'm going to ask that we hold questions until the very end. So we can kind of hear these different ways of telling the story and then have a conversation together. So Judith, please join us.

**JUDITH CASH:** Thank you Donna. It is a pleasure to be here. It's a shame that we do have to travel 3,000 miles to hang out together, but it's always a wonderful experience when we can. So thanks.

Thanks to all of you for coming. This is an issue that is very critical, very important, near and dear to my heart that I didn't leave in Virginia but brought with me here to California. I'm thrilled to see so many people here to talk about this important issue. I certainly want to extend my thanks to the California Health Care Foundation for bringing me here and for supporting this important effort.

By way of introduction, the Virginia Health care Foundation is a little bit different from many other

statewide health care foundations in that we are, in every respect, a public/private partnership that was, in fact, created 16 years ago now by the Virginia General Assembly. Our state legislature actually created the health care foundation as part of its' attempt to address the needs of uninsured and underinsured Virginians.

Through the years, we have tried to do that with a number of different initiatives and through all of our grant making but our whole focus is on the uninsured and medically underserved population in Virginia. We get actually, we get state dollars to do some of the work that we do. We are required to match those state dollars with dollars that we raise in the private sector. So we are indeed a public/private partnership and we encourage those kinds of partnerships around the state with everything that we fund.

The work that we have done around the SIDOC requirements grows out of a long and strong vested interest in children's coverage. The Virginia Health Care Foundation was the lead agency for Virginia's Covering Kids and Families initiative, which was part of the Robert Wood Johnson Foundation's nationwide initiative to cover as many kids as possible in Medicaid and SCHIP. We have been very closely involved with that and have a longstanding and very positive relationship with both our Medicaid agency and our state legislature as well as all of the advocates around the state

of Virginia who have been working to enroll kids in coverage. So when we saw the SIDOC requirements coming down the road, we immediately took an interest and wanted to be sure that we were on top of everything that was happening.

So what I'm going to share with you today are the results of a study that we did, which really has had three components and those components have been a look at our statewide data to really find out what the impact of the SIDOC requirements have been, a look at the impact on both state and local systems in implementing the requirements of the law, and as Donna referenced, a deep and personal understanding of the impact on the kids and families who this so closely affects. We kept coming at this from a variety of different ways.

By way of introduction, of course as you know, the Deficit Reduction Act signed in 2005, we got some preliminary guidance from CMS in June of '06 and being the good do-bees that Virginia has always been, we implemented, on July 1, 2006. Part of that is probably related to the fact that we are right next door to Washington and we wonder if maybe people are watching a little more closely but for any number of reasons that we continue to question, we did implement on July 1 of 2006 and as you know, looked at that requirement and began to implement that requirement. Then anyone who applies for Medicaid in Virginia for the first time and

reapplies for the required renewal at the end of a year, provide original documentation of their citizenship and identity.

Well when we did that on July 1, we saw an immediate impact and that was a drop in monthly enrollment. One of the things that Virginia has done over the past now seven years is a much better job than we have been doing before the past seven years at collecting data. So we were able to track Medicaid enrollment every month and every month, we would report on the number of children enrolled in our state Medicaid program.

So through that time and what you see here begins in September of '04. We actually have these data that go back to January of '02 and from January of '02 through July 1 of '06, except for that little kind of dip in the middle there, we saw a consistent increase in number of kids enrolled.

An average for the 15 months prior to July 1 of '06, an average of about 1,000 new children enrolled every month. July 1, 2006, we implemented the regulations of the citizenship and documentation requirements and we began to see that significant drop.

In fact, over an eight-month period from July through March of the following year, we saw a drop in net enrollment of about 11,000 children and had we continued on the trajectory that we had been on, which is about 1,000 kids new

each month, we're talking about probably about 20,000 children in Virginia who were impacted by the requirements of the Deficit Reduction Act by not getting enrolled in Medicaid.

At the same time, our SCHIP enrollment, which is a separate program in Virginia, continued to grow. The only difference that occurred at that time was the implementation of the SIDOC requirements. Nothing else changed in our programs. So we knew that we had a problem and we knew that we needed to do something pretty quickly to address the issue.

So one of the things that happened in September of 2006 is that our Governor, Tim Kaine, authorized a number of immediate procedural and policy changes to just try to stop the hemorrhaging at this point. We knew we had bigger picture things to deal with and we knew we had to really get into an understanding of what was going on but we also knew we needed to do something to get these kids back because we were very concerned about that rapid loss in that enrollment.

So Governor Kaine authorized a number of procedural and policy changes and they included expanding the timeframe to give families reasonable opportunity to gather their documentation before they were denied eligibility. So he authorized an additional 30 days to review the application and if those docs had been requested and families were

demonstrating that good faith effort to get them, an additional ten days beyond that was authorized.

He also required that the local DSS and the Bureau of Vital Records coordinate so that the Bureau of Vital Records could certify copies of a birth certificate at no cost to applicants, which prior to that had required a fee and as Joe mentioned earlier or maybe Donna did, deputized local outreach workers throughout the state who were already working with families to help them to get enrolled to view original documents and certify them as original documents.

Those outreach workers were all over the state in a variety of community-based organizations including [inaudible] qualified health centers. That helped a little bit to keep families from having to mail that child's birth certificate in some cases or take it to the local DSS and wait for it to be viewed.

The Governor also authorized the local eligibility workers to accept copies of those documents and to immediately enroll children in our state Medicaid coverage while pending the acceptant or the receiving of the original documents.

So we weren't able to say, CMS certainly wouldn't allow us to say we'd accept copies instead but what we were able to say was we'll enroll you while you're waiting. So that would at least get the child in for medical services and

you could begin reimbursing for those services.

As Donna said, we also revised the application to include that attestation right on the application form for identity for children and finally, authorized the state to use state dollars to pay the fee to get out-of-state birth certificates and also put a system in place at the State Department of Social Services to help to process those requests.

Now as is not unusual in these situations when you implement a new policy, you don't always think it all the way through. So while the Governor did say we're going to help families to get the out-of-state birth certificates, we're going to help by paying for them. We're going to help by putting a process in place through which we'll gather requests for out-of-state birth certificates at the state level and then extend those to other states. Great idea.

We had one person designated at the State Department of Social Services to do that. In the first six weeks of implementation, she had 900 requests for out-of-state birth certificates. So we're still working out the kinks to that one but that did help in some respects, certainly by the state paying the bill made a huge difference for some families. As Donna said, in some cases, it costs \$50 to get a birth certificate from another state. That's grocery money that people just don't have. So that certainly did help.

So putting all of these new procedures and policies into place was a good thing to do. It was the right thing to do. Some of those things eventually had made an impact and we'll look at that impact but it didn't automatically make everything better. One of the things that we had to deal with now was implementing not only the requirements of the SIDOC but also these new policies that our local eligibility workers now had to deal with.

I know that California is a much bigger state than Virginia but it sounds like we're broken up into even more small entities. So we actually have 121 local departments of social services that process our applications for Medicaid and SCHIP in Virginia.

We also have a statewide central processing unit. So we prided ourselves a number of years ago in creating what we call the no wrong door for applications. You can go through the state central system or you can go to any one of your 121 local departments of social services and they will help you get enrolled.

Well what that does, of course, is require implementation of state policy, which as was mentioned earlier you really want to be consistent across the state but it doesn't always happen that way. So implementation at 121 different local departments of social services sometimes was a little bit inconsistent.

We also, despite Virginia's reputation especially in the Northern Virginia area as a technology corridor, our data systems are awful. So we had serious problems in terms of managing some of the data. They don't always talk to each other. So we really still have some work to do in implementing some of these changes. Of course as is the case in most states, we have inadequate systems at both the state and local level, just not enough people to do all of the work that has to be done.

So one of the things that we learned along the way is that in addition to getting information from the state system and from the folks at the state level, we really wanted to know what was happening at the local level to really find out how this was impacting our local eligibility workers and to talk about the inspiration that we started this morning with.

I have to tell you that it inspires me to look out and see all of the county folks who are here today for this meeting and who are so interested in implementation of this policy because that's really where the rubber hits the road.

It is, in fact, the local eligibility workers, in our case, at our 121 local departments who are working very hard and want to enroll eligible kids in health coverage. That's what they come to work to do every day and yet seeing and hearing them try to deal with the challenges of implementing these requirements was heartbreaking. That's the case both at

our local social service agencies and also at our state central processing unit.

Those eligibility workers too want to get kids enrolled. That's what they come to work to do but what we found is at the state level, the call volume significantly increased, doubled in fact. Families were calling to see did you get my application? How come it's taking so long? Is it going to go through or not? Do you still need more documents?

The abandoned call rate, people being on hold and hanging up because they were waiting too long increased from three percent to 23-percent. The number of applications at the central processing unit was able to process by the end of the month significantly decreased and pending cases, cases that were waiting for documentation at the end of the month, went through the roof.

Typically before the July 1 implementation, they had maybe 50 cases pending at the end of the month, 2,500 cases, 4,000 of them in January of 2007 [inaudible] at the end of a month at the state CPU.

We talked to, as part of our study, we held focus groups with local eligibility workers all over the state and talked to them about what was happening. They too talked about increased volume, more calls, the calls last longer. Mountains of paper, was one of the quotes that we heard from local eligibility workers.

Lots more traffic, regularly reviewing files, which stalled the process, the challenge of keeping up with all of the policy changes that were occurring. Every time a policy gets changed or procedure gets changed, we send a blast email across the broadcast system. Those things piled up on eligibility workers' desks and the constant challenge to really try.

One of the things that we saw among local eligibility workers was a real drop in moral as again, they were trying very hard to get families and kids enrolled in coverage and really not being able to do that was a problem for them.

So we saw the data drop in enrollment. We heard from our state central processing unit and from our local eligibility workers, huge impact on workload and on office systems.

So then we really wanted to find out what does this mean for the kids. What does this mean for those children whose applications have been pending and they haven't been able to get their coverage?

So we did a telephone survey. We interviewed 800 parents of children who had applied for Medicaid in Virginia after July 1. Of those 800 parents of 800 children, 509 of them had been enrolled by the time we got them on the phone. Their children had, in fact, been enrolled in coverage.

Almost 300 of them though had not yet been enrolled and were

still pending. These children were already pre-determined as likely eligible for Medicaid based on their income and had reported U.S. citizenship.

Just as a fact checker, if you will, for that citizenship piece, we added questions in the survey and found that 97-percent of the children were reported to be born in the U.S., 69-percent born in Virginia. So there's that 30-percent that had to go elsewhere to find their birth certificates. When asked, 93-percent of them could name the U.S. hospital in which they were born.

We would have people say well just because they say they're born in this country doesn't mean they really are but on request, the lions share of them could name the U.S. hospital in which their child was born. So we knew that these were people who indeed were citizen children.

We found three significant kinds of impacts in the children. One was, as we knew, processing of their applications was significantly delayed and we'll talk about that. While they were delayed, parents were unable to get care that their children needed. The care that they were able to get was very hard for them to afford and we saw a significant increase in use of the emergency room for primary care.

Specifically, for those children who were enrolled at the time of the survey whose children had been enrolled when

we got them on the phone, it took an average of 64 days for them to get enrolled. Forty-five days, as you know, was the federal requirement. So all of them were a whole lot longer than they should have been.

For those kids whose applications were pending, significant number of them had been pending for more than three months. So kids were waiting much longer than they should be waiting to get into care.

While they were waiting for their care, 90-percent of them had no other coverage. So these aren't children who had something else to fall back on while they were waiting for their care. Of those who were waiting for their coverage, 65-percent reported that they needed health care while they were waiting. Of those who needed health care, almost 40-percent were not able to get all of the care that they needed.

Now some parents told us that they were able to get some care but not all but 40-percent, a lot of children, went without care because they couldn't get it while they were waiting.

The kinds of care they weren't able to get, as you can see, a significant number not able to get dental care, not able to get regular checkups, care for an illness, immunizations, etc., lots of important things that children needed that they weren't able to get while they were waiting.

Nearly half of the birth to two-year olds who we

surveyed or the parents who we surveyed were not able to get their immunizations. Now we have, in Virginia, Vaccines for Children program that provides vaccines for uninsured kids. Most parents don't know about that and they would only know if they went to the doctor to ask for their child's immunization but they weren't going to go because they didn't have coverage and they wouldn't be able to pay.

Kids needed medicine and couldn't get it. When we asked them why they weren't able to get the health care that they needed, obviously the biggest answer was because we couldn't afford it. We had a number of parents who said they weren't able to get it because they were waiting for their coverage to begin. Many of us can certainly read into that that that's another group that couldn't get it because they didn't have the money. They were waiting for their coverage to begin.

Finally we asked parents about where they go for care for their kids when they don't have coverage. While three-percent would otherwise use the ER as their normal source of care, when they didn't have coverage, that went up to 18-percent who said they used the ER for their child's primary care.

In reference to the comment earlier about learning from, I think it was the Volvo people that the idea is here make the application simple. Well, we had prided ourselves,

starting in late 2000-2001, we worked so hard over this period to make your application process simpler, to be able to get kids in and we had done a great job of doing that. We saw that trajectory that you saw of kids increasing enrollment every month.

So we did a survey back in 2004 and at that time, only eight-percent said that the application process was difficult. Well, now as part of this survey, we asked that same question again and 40-percent said it was difficult. That really was a punch in the nose after all of the work that we had done to make the process easier.

So what did we learn from this? that thousands of Virginia's U.S. citizen children lost coverage and delayed their care, that enrollment took longer than it should have, and that our state and local systems were severely overburdened.

Well where are we now? The good news is we're moving up again. As you can see, the July 1 dot is there. We have that significant drop but then finally about September or so, we got back to where we were, back two years ago and we're gradually now going up again.

However, if you follow that trajectory from July 1 of '06, if it had continued certainly in the way it had been going, 1,000 new kids a month over this last several years, we would certainly have even more children enrolled in

Virginia's program than we do now. So we know we've not made up yet for all the children who lost coverage in that time.

Just a quick note on denials and codes and this is something that Donna talked about a little while ago, we have seen and are beginning to see now a drop in denials and in cancellations for unverified citizenship and documentation. Our concern about this, however, comes really from two things, one of which is that we know that we have a problem with coding, denial, and cancellation of reasons in Virginia. There are a number of sort of default codes that we tend to use more often than others. So we're not always sure that the data are accurate.

The other thing that the eligibility workers told us when we did our focus groups was that oftentimes if parents know they don't have or they're going to have a very hard time getting their child's birth certificate, for example, then they don't even bother to bring in the income documentation because they're not going to get enrolled anyway. So that child then ends up getting denied for income when the problem was a SIDOC documentation or this citizenship and identity documentation. So that's an area of training that we continue to need to work on with our local eligibility workers.

So where do we go from here? We will continue to monitor and collect data, continue to do outreach to enroll all

eligible children. We're working to improve our data systems and continuing to work on the process for obtaining out-of-state birth certificates because, as Donna mentioned, that continues to be a problem with a number of other states that we try to work with.

Our full study is available on our website and it's listed on your resource list there and I would encourage you to take a look at it. If you have questions, it tells you more about the methodology as well as some more of the findings that we didn't include here in this presentation. I think we're going to hold questions until the end [applause]. Thank you.

**DONNA COHEN ROSS:** Thank you.

[END RECORDING]