

Putting Express Lane Eligibility Into Practice



**A Briefing Book and Guide for
Enrolling Uninsured Children Who
Receive Other Public Benefits into
Medicaid and CHIP**

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A Publication of The Children's Partnership

and



The Kaiser Commission on Medicaid and the Uninsured

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About The Children's Partnership

The Children's Partnership (TCP) is a national, nonprofit organization founded to put the unique needs of children front and center in a changing economy, culture and policy world. TCP works to ensure that all children have access to the resources they need and to involve more Americans in the cause for kids. The Children's Partnership's work is supported by private foundations, corporations, the entertainment community, interested individuals, and others with whom it partners on projects. TCP has offices in Santa Monica, CA and Washington, DC.

About The Kaiser Commission on Medicaid and the Uninsured

The Kaiser Commission on Medicaid and the Uninsured serves as a policy institute and forum for analyzing health care coverage and access for the low-income population and assessing options for reform. The Commission, begun in 1991, strives to bring increased public awareness and expanded analytic effort to the policy debate over health coverage and access, with a special focus on Medicaid and the uninsured. The Commission is a major initiative of the Henry J. Kaiser Family Foundation and is based at the Foundation's Washington, DC office.

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Putting Express Lane Eligibility Into Practice

A Briefing Book and Guide for Enrolling Uninsured Children Who Receive Other Public Benefits into Medicaid and the Children's Health Insurance Program (CHIP)

November 2000

A Publication of The Children's Partnership and The Kaiser Commission on Medicaid and the Uninsured

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A serious challenge confronting leaders today is how to reach and enroll the roughly 8 million uninsured children who are eligible for but not enrolled in Medicaid and the Children's Health Insurance Program (CHIP). This publication describes one method for expediting health insurance enrollment for these uninsured children: Express Lane Eligibility.

Express Lane Eligibility works by establishing connections with programs that have similar income eligibility rules to Medicaid and CHIP – such as Food Stamps, the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), and the National School Lunch Program (NSLP) – to find and more quickly enroll uninsured children in the health insurance programs.

Over 70 percent of uninsured children with family incomes below 200 percent of the federal poverty level (FPL) participate in NSLP, WIC, Food Stamps or Unemployment Compensation.

This briefing book and guide provides technical information regarding what a state or locality needs to know to undertake Express Lane Eligibility. Its purpose is to serve as a resource for policymakers looking for high-leverage ways to reach uninsured children – state legislators and agency staff, as well as county and city officials and program administrators.

Implementing Express Lane Eligibility

Express Lane Eligibility is not "one size fits all." The ultimate design will depend on a number of factors: the state's current Medicaid and CHIP eligibility guidelines; the income-comparable programs that are chosen; and the administrative systems already in place. However, there are three basic models from which a state could start.

Targeted Outreach

At a minimum, Express Lane Eligibility can be used to target outreach to uninsured children in public programs with income eligibility guidelines similar to those for Medicaid and CHIP.

Example: Targeted Outreach has been used most effectively with the NSLP where states have utilized the program as a referral tool for children's health insurance. Activities have included providing health insurance program information with school lunch applications or allowing applicants to use the school lunch application to authorize the sharing of their names and addresses with Medicaid and CHIP so they can receive health insurance information.

Streamlined Application

At the next Express Lane Eligibility level, information already collected on a child by an income-comparable public program can be shared with the Medicaid or CHIP program to streamline a family's health insurance application process.

Example: In 1999 Washington State began a pilot program operated in 15 school districts that allows families to consent to their school lunch application being sent to the Medicaid agency. Upon receiving the application, the Medicaid agency mails the family a simple follow-up form to gather additional information needed to make a final Medicaid eligibility determination.

Automatic Eligibility

The most complete level of Express Lane Eligibility would use the fact that a child is enrolled in an income-comparable program as the basis for determining the child to be income-eligible for Medicaid or CHIP.

Example: A state with Medicaid income eligibility thresholds for children that are significantly higher than the minimums required under federal Medicaid law and those with CHIP-Medicaid expansions would have the highest potential for implementing Automatic Eligibility. With a higher eligibility threshold, the state's Medicaid eligibility rules would probably be liberal enough so that no child could qualify for the income-comparable public program, such as Food Stamps, and be ineligible for Medicaid. In a state where this is the case, the fact that a child is in Food Stamps could make him or her automatically income-eligible for Medicaid, negating the need for the family to complete a regular application.

Implementation Issues to Address

States and localities should anticipate and be ready to address several implementation issues that arise around Express Lane Eligibility including:

- Meeting the confidentiality rules of each program, including the establishment of any necessary interagency agreements.
- Addressing the immigration restrictions of Medicaid and CHIP, and establishing clear guidelines for families affected by these restrictions.
- Developing streamlined documentation requirements for families as allowed under federal law.
- Understanding the federal verification and Medicaid Eligibility Quality Control rules to ensure continued compliance.
- Targeting different funding sources to ensure the successful implementation of Express Lane Eligibility and the participation of non-health insurance program agencies.

Legislative Precedents

There are specific precedents where the concept of linking eligibility for one program with other programs has been incorporated into law and practice. The primary intent of connecting program eligibility is to make it easier for eligible families to enroll in programs and to cut down on administrative paperwork.

- **WIC's Adjunctive Eligibility** accepts an applicant's documented participation in Medicaid, Food Stamps and Temporary Assistance to Needy Families (TANF) as evidence of income eligibility for WIC.

- **NSLP's Categorical Eligibility and Direct Certification** deems children receiving Food Stamps, the Food Distribution Program on Indian Reservations (FDPIR) and TANF automatically eligible for free meals or milk.

Recommendations and Conclusion

While there are certain challenges to designing an Express Lane for children into health care, the effort seems worth it given the potential benefits. To get started a state or county can:

- ✓ **Create an Express Lane for Children through the Food Stamp Program.** States should start with the Food Stamp Program because it holds the best likelihood of achieving Automatic Eligibility. Food Stamps has a sufficiently low income threshold (net income of 100 percent of the FPL) that most child enrollees are also income-eligible for Medicaid. In addition, its citizenship guidelines are similar to those of Medicaid, and in many states and counties, the same agency administers both Food Stamps and Medicaid.

- ✓ **Create an Express Lane through other Programs in Your State.** Communities should undertake the research, analysis and legwork required to move beyond Food Stamps to other programs. While the Food Stamp Program may be the simplest program to start with, a state or county need not stop there. There are a number of other steps you can take to move forward with Express Lane Eligibility, including analysis, planning and gaining support from different stakeholders.

Above all, successful implementation of Express Lane Eligibility requires policymakers and administrators at the state and local level to continue to be strong leaders for reform. The payoff will be more than worth it, as Express Lane Eligibility breaks down many of the obstacles that keep millions of children from health insurance.

INTRODUCTION

For many decades, the principal challenge facing leaders working to improve the health of America’s children was finding the resources necessary to provide health insurance to the millions of kids who had none. Today things are dramatically different. For the first time in the history of our country, there is a national commitment to cover the vast majority of our nation’s uninsured children.

The serious challenge that confronts leaders today is how to reach and enroll the roughly 8 million children who lack health coverage but are eligible for Medicaid and the new Children’s Health Insurance Program (CHIP) enacted by Congress in the summer of 1997.¹ Approximately 70 percent of uninsured children nationally now qualify for these health insurance programs, but are currently not participating in them.²

Simple though it may sound, many barriers exist to enrolling these children into the health insurance programs. Studies show that besides a lack of knowledge about the programs, families do not apply because it can be time consuming, confusing, and sometimes demeaning to do so.³

This publication describes one way to address these enrollment hurdles. The strategy is called Express Lane Eligibility and, like the Express Lane in the supermarket or on the highway, it refers to a method for expediting health insurance enrollment for uninsured children.

Express Lane Eligibility works by establishing connections with programs that have similar income eligibility rules to Medicaid and CHIP – such as Food Stamps, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and the National School Lunch Program (NSLP) – to find and more quickly enroll uninsured children in the health insurance programs.

The notion of linking different programs to streamline application processes is not new. For example, in 1989 Congress allowed WIC to accept an applicant’s participation in Medicaid, Food Stamps and Temporary Assistance to Needy Families (TANF) as evidence of income eligibility for WIC. This adjunctive eligibility process has significantly streamlined WIC’s application and enrollment process for both families and staff. (See Chapter 5 *Legislative Precedents* for additional information.)

In addition, the ability to execute Express Lane Eligibility between Medicaid/CHIP and other public programs has recently taken on a growing legitimacy as national attention is focused on finding solutions for enrolling eligible children in health insurance. In a September 10, 1998 letter, the Health Care Financing Administration (HCFA) encouraged state health officials to “establish an effective referral system between the State’s CHIP eligibility agency, the Medicaid and maternal and child health programs, schools as well as other Federal and State agencies that serve low-income families.”⁴ The following recent developments have added to the increased viability of Express Lane Eligibility.

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CHIP Waivers

On July 31, 2000, HCFA issued guidance permitting states for the first time to submit waivers for CHIP demonstration projects under section 1115 of the Social Security Act.⁵ Under the rules, states can submit proposals to HCFA to undertake innovative strategies that are not otherwise permitted under the law for accomplishing the goals of the CHIP program. HCFA specifically stipulated it would consider “proposals to promote enrollment of children, who are eligible for benefits under other income-based benefit programs, such as free and reduced school lunch program.” The guidance sets the stage for states to put together creative models for implementing Express Lane Eligibility. The ideas presented in this report will assist in these efforts.

Federal Guidance

On June 26, 2000, HCFA announced a new one-year state grant program to identify and test innovative ways to increase enrollment in Medicaid and CHIP by simplifying the eligibility and enrollment process.⁶ The program will make awards to about five states of approximately \$80,000 each. While the funding level is not substantial, the establishment of the grant program indicates HCFA’s increased interest in states undertaking Express Lane Eligibility. States are encouraged to create “linkages with other public programs, such as school lunch, WIC, child care subsidies, or State earned income tax credits, with relatively similar eligibility criteria.”

In addition, guidance issued by HCFA on April 7, 2000 approved a state’s ability to rely on information from other public programs in determining Medicaid eligibility, thereby knocking down a previous barrier to making Express Lane Eligibility a reality.⁷ (See Chapter 4 *Implementation Issues to Address*, “Documentation Requirements,” for additional information.)

State Action

State and local leaders are also seriously exploring Express Lane Eligibility. For example, California’s Fiscal Year 2000-2001 state budget allocated staff resources to the development of options for implementing Express Lane Eligibility.⁸ New York’s United Hospital Fund has also conducted an analysis on the feasibility of implementing Express Lane Eligibility in New York State.⁹ Other examples are included within this report.

These recent developments, coupled with past precedents, open the door wide for states and localities to implement Express Lane Eligibility. We hope this briefing book and guide will serve as a resource for those looking to take on this important avenue for increasing coverage of uninsured children.

About This Publication

The Children’s Partnership first explored Express Lane Eligibility in the publication *Express Lane Eligibility: How to Enroll Large Groups of Uninsured Children in Medicaid and CHIP*.¹⁰ That publication provided a general overview of the issue and, for those readers new to the idea, serves as a useful starting place.

This current publication takes readers to the next level, providing technical information that a state or locality needs to know to undertake Express Lane Eligibility. It includes an array of tools to assist in these efforts, including functional appendices and an extensive endnote section of Web-based resources. The briefing book and guide summarizes:

- How Express Lane Eligibility works – detailing what it means in states with a Medicaid-only program as well as states with both Medicaid and separate CHIP programs;
- What steps can be taken under current law to use Express Lane Eligibility – whether to perform more targeted outreach, to streamline the application process for families or to provide automatic eligibility for eligible children;
- Challenging implementation issues and how to address them, including confidentiality, immigration, quality control and funding; and
- Steps for getting started.

The information that follows is quite technical at times because the programs are complex. Readers should understand that implementing Express Lane Eligibility requires knowledgeable staff who can work on the effort in a sustained way. The pay-off will be more than worth the time as Express Lane Eligibility starts to topple some of the barriers that keep so many children from the health care they need.

CHAPTER 1

As many as 8 million uninsured children are eligible for Medicaid or the Children’s Health Insurance Program (CHIP) but not enrolled.¹¹ According to The Urban Institute, the majority of uninsured children are enrolled in other public programs.¹² They estimate:

- Over 70 percent of all low-income uninsured children (those with family incomes below 200 percent of the Federal Poverty Level - FPL) live in families that participate in the National School Lunch Program (NSLP), the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Food Stamps or Unemployment Compensation.
- Breaking the figures down further, 60 percent of all low-income uninsured children are in families enrolled in the NSLP; 24 percent are in families enrolled in WIC; 10 percent are in families receiving Food Stamps; and almost 10 percent are in families receiving unemployment compensation.

With 3.9 million low-income uninsured children in families receiving benefits through the NSLP, this program seems to hold the greatest promise for reaching uninsured children. WIC follows with 1.5 million low-income uninsured children enrolled. (See Table 1.)

While the numbers of uninsured children reached through Food Stamps (651,000) is relatively small, most if not all of these children are eligible for Medicaid. The Food Stamp Program’s gross income eligibility standard is 130 percent of the FPL and many states have already extended their Medicaid programs to serve children of all ages up to 130 percent of the FPL or higher. In addition, both programs have similar immigration guidelines, making Food Stamps an important avenue for reaching uninsured Medicaid-eligible children.

Among the 13 states reported on by The Urban Institute, Alabama, California and Mississippi (at about 80 percent) exhibit the highest percentage of low-income uninsured children who could be reached through the National School Lunch, WIC, Food Stamp or Unemployment Compensation programs. Massachusetts, Colorado and Washington exhibit the lowest proportion, at about 61 percent. (See Table 2.)

It is evident by the high numbers involved that use of income-comparable public programs holds great promise as a vehicle for reaching uninsured and potentially eligible children and connecting them with health coverage.

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T A B L E 1

Public Program Participation of Families with Low-Income Uninsured Children, 1996-97

Estimates by The Urban Institute					
	School Lunch Program ^a	WIC ^b	Food Stamps ^c	Unemployment Compensation ^d	Any of Four Programs ^e
Federal Income Guidelines (percent of Federal Poverty Level)	Up to 185% FPL	Up to 185% FPL	Up to 130% FPL (Gross)	N/A	N/A
Low-Income Uninsured Children^a	3.9 million	1.5 million	651,000	629,000	4.7 million
Age					
0-5	19%	62%	26%	22%	29%
6-11	42%	19%	26%	36%	36%
12-17	39%	19%	48%	42%	36%
Family Income					
Less than 100% FPL	51%	52%	78%	48%	49%
100-200% FPL	49%	48%	22%	52%	51%
Immigration Status^f					
U.S. Born	85%	89%	84%	93%	87%
Foreign Born	15%	11%	16%	7%	13%
Region					
Northeast	10%	9%	10%	13%	10%
Midwest	15%	16%	12%	18%	16%
South	44%	37%	52%	29%	44%
West	31%	38%	26%	40%	31%

Source: The Urban Institute calculations from the 1997 National Survey of America's Families (NSAF), a national household survey on over 100,000 children and nonelderly adults. Insurance coverage was measured at the time of the survey.

a. Represents children age 17 and under with family incomes below 200 percent of the FPL.

b. Represents uninsured children in families in which at least one child received benefits from the School Lunch Program or WIC program in 1996, respectively. In determining the potential reach of these programs, it was assumed that all children in the household could be reached through the given program. Thus, although the WIC program serves only pregnant women and children age 0-5, the survey counted older uninsured children in the household as reachable through the program.

c. Represents uninsured children in families that were receiving Food Stamp benefits at the time the NSAF was administered in 1997.

d. Represents uninsured children in families in which at least one person received Unemployment Compensation in 1996.

e. Represents low-income uninsured children in families that participate in either the School Lunch Program, WIC, Food Stamps or Unemployment Compensation, taking into account duplicates among the four programs.

f. Foreign-born status does not mean a child is ineligible for Medicaid or CHIP, since qualified immigrants are eligible for the two programs.

Public Program Participation of Families with Low-Income Uninsured Children Within 13 States, 1996-97^a

Estimates by The Urban Institute						
	School Lunch Program^a	WIC^b	Food Stamps^c	Unemployment Compensation^d	Any of Four Programs^e	Percentage of State's Low-Income Uninsured Children (S.E.)^f
California	700,323	314,980	92,151	115,318	854,048	81% (3.3)
Mississippi	85,077	28,723	37,214	12,025	100,324	79% (3.4)
Alabama	82,473	19,597	40,069	9,410	98,757	79% (4.4)
Texas	589,108	204,591	115,480	57,982	682,203	74% (2.8)
Michigan	58,910	13,329	8,337	17,428	77,356	74% (5.8)
Minnesota	24,786	12,170	1,412	4,584	33,091	72% (7.2)
New York	194,224	63,585	34,624	37,891	239,765	70% (3.4)
New Jersey	65,136	12,791	10,663	13,998	79,603	69% (4.4)
Florida	248,409	128,574	38,531	14,847	317,709	68% (3.8)
Wisconsin	35,203	10,135	3,284	10,478	41,634	65% (3.6)
Colorado	53,083	14,650	9,235	4,938	64,400	62% (4.2)
Washington	24,252	16,727	6,354	10,963	38,756	62% (4.1)
Massachusetts	26,980	10,319	6,371	4,950	35,531	61% (7.7)

Source: The Urban Institute calculations from the 1997 National Survey of America's Families (NSAF), a national household survey on over 100,000 children and nonelderly adults. Insurance coverage was measured at the time of the survey. Represents children age 17 and under with family incomes below 200 percent of the federal poverty level (FPL).

- a. The NSAF oversamples the population of 13 states in order to obtain reliable state-specific samples.
- b. Represents uninsured children in families in which at least one child received benefits from the School Lunch Program or WIC program in 1996, respectively.
- c. Represents uninsured children in families that were receiving Food Stamp benefits at the time the NSAF was administered in 1997.
- d. Represents uninsured children in families in which at least one person received Unemployment Compensation in 1996.
- e. Represents low-income uninsured children in families that participate in either the School Lunch Program, WIC, Food Stamps or Unemployment Compensation, taking into account duplicates among the four programs.
- f. Represents the percentage of uninsured children enrolled in any one of the four programs, with the standard error.

CHAPTER 2

Express Lane Eligibility is a term used to describe a process for utilizing income-comparable public programs to increase outreach and enrollment for children’s health insurance programs. At a minimum, it can be used to target outreach to uninsured children in public programs. When fully realized, it can be used to define a group of children enrolled in an income-comparable program as automatically eligible for Medicaid and/or the Children’s Health Insurance Program (CHIP).

Express Lane Eligibility is not “one size fits all.” The ultimate design will depend on a number of factors, from the state’s current Medicaid and CHIP eligibility guidelines to the income-comparable programs that are chosen to the administrative systems already in place. However, this section presents three basic models from which a state could start.

Targeted Outreach

The most basic way a state can take advantage of the fact that uninsured children are enrolled in public programs with eligibility guidelines similar to Medicaid and CHIP is to use the public programs as outreach mechanisms.

Targeted Outreach has been used most effectively with the National School Lunch Program (NSLP), where a number of states have utilized the program as a referral tool for children’s health insurance.¹⁵ Either health insurance program information is included with the school lunch applications, as in Alaska, Arkansas and Connecticut, or school lunch applicants can authorize the sharing of their names and addresses with Medicaid and CHIP in order to receive a health insurance application. The approach is most successful when coupled with procedures that ensure families also have assistance with the enrollment process, such as linking families with community groups to assist in completing applications, as has been done in Georgia and Florida.

Consumers Union’s Healthy Kids, Health Schools, California

In 1999 the San Francisco office of Consumers Union, California’s Departments of Education (CDE) and Health Services (DHS), the Managed Risk Medical Insurance Board, and DHS’ School Health Connections office collaborated to connect children enrolled in the School Lunch Program with the state’s Medicaid and CHIP programs (Medi-Cal and Healthy Families, respectively). In April of that year, CDE sent School Food Service Directors in California information about how they could help enroll children in the health insurance programs. Included was a sample Request for Information (RFI) form that could be attached to the school lunch application. Parents who wish to obtain a Medi-Cal and Healthy Families application complete the RFI form and return it to the Food Service Director or other school staff, who then forward the forms to DHS on a monthly basis for processing. Some schools chose to have parents return the RFIs directly to DHS. To date, more than 140 school districts have participated in this program and outreach through the School Lunch Program accounts for over 30 percent of all requests for Medi-Cal/Healthy Families applications.

To assist families in enrolling in Medi-Cal or Healthy Families, Consumers Union’s *Healthy Kids, Healthy Schools* project also works closely with school districts in Contra Costa, Los Angeles, San Mateo and Santa Clara Counties to provide more extensive follow-up to families who completed the RFIs. For example, all four districts and/or their community partners provide direct assistance to the families in completing the Medi-Cal/Healthy Families application.

For more information, contact:

*Consumers Union,
West Coast Regional Office, 415-431-6747;
www.healthykidsproject.org.*

The use of the NSLP as an effective outreach tool was facilitated by guidance released by the United States Department of Agriculture (USDA) in the fall of 1998 on ways states and school officials can use the NSLP as a referral mechanism for Medicaid or CHIP. The USDA created prototype applications for schools that ask parents whether they want to waive confidentiality to permit the school to share information from the NSLP application with Medicaid or CHIP. (See Appendix B.) Recently enacted federal legislation¹⁴ facilitates these efforts by further streamlining the process whereby states and school food personnel share information from school lunch applications with Medicaid and CHIP programs. (See Chapter 4 *Implementation Issues to Address*, “Confidentiality,” for additional information.)

Streamlined Application

Under this approach, the child’s application for enrollment in the income-comparable program is used to provide income eligibility information to the Medicaid or CHIP program. Additional relevant eligibility information collected by a program, such as immigration status or state residency, could also be shared. The state, however, would still need to collect any other information from the family that is necessary to make a final eligibility determination. The process could work in a few ways:

- On the income-comparable program’s application, a parent could consent that the family’s income information be released to the state Medicaid and CHIP agency for purposes of applying for the health programs. For example, in 1998 the Chicago Public Schools System modified its school lunch application, allowing parents to consent to the release of information to the state Medicaid agency for purposes of applying for Medicaid and CHIP.

For more information, contact: Denise Taylor, Chicago Public Schools System, 773-553-1839, detaylor@csc.cps.k12.il.us.

Washington State’s School Lunch Pilot Program

For a number of years, Washington State has included a check-off box on the school lunch application allowing families to request information about health programs. Between September and December 1999, this program brought 980 referrals to the Medicaid agency, 197 of whom eventually applied.

In an effort to reach more children, in 1999 state officials began a pilot program in 15 school districts where the school lunch application is printed on an NCR (duplicating copy) form. (See Appendix C.) By checking a box on the form, families authorize the schools to send a copy of the application to the Medicaid agency. Upon receipt, the Medicaid agency enters the family into the computer and mails them a simple follow-up application to gather additional information needed to assess Medicaid eligibility. (See Appendix C.) The school lunch application gathers income and family composition information and the follow-up application gathers citizenship information. In the pilot program, copies of 3,787 families’ school lunch forms were sent to the Medicaid agency. Of these, 1,066 were interested in health coverage and were not already receiving Medicaid. The agency sent the special application to these families and received 330 back for processing. Approximately two-thirds of those who completed the process were determined eligible.

The biggest difficulties with the pilot program have been: 1) the majority of families do not follow through with the full application process; and 2) families have not understood which health program is being offered – so they apply even though they already receive Medicaid. Work is currently underway to change language on the school lunch multi-use form so that the latter will not happen so frequently. In addition, administrators have found that more education is needed for school staff, since some have misunderstood the process and forwarded a copy of the application even when a family did not request a referral to health coverage.

For more information, contact: The Children’s Alliance, Children’s Health Outreach Project, 206-324-0340; www.childrensalliance.org.

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- A parent could authorize Medicaid or CHIP to directly access the child's comparable program case file for purposes of making an income determination. For example, Los Angeles County's Department of Public Social Services made Medicaid eligibility determinations on behalf of children in households receiving Food Stamps whose parents authorized the department to use the information in the family's Food Stamps case file.

For more information, contact: Lynn Kohoutek, Los Angeles County/DPSS, 562-908-8307.

- Under newly enacted legislation that impacts the School Lunch Program, a school district could establish an agreement with state Medicaid and CHIP agencies that allows the sharing of a child's school lunch application with Medicaid/CHIP for purposes of determining the child's eligibility for the health insurance programs. Instead of obtaining the parent's consent for the disclosure, school food authorities can disclose the information unless the parent declines, upon proper notification, to have their information shared.¹⁵ (See Chapter 4 *Implementation Issues to Address*, "Confidentiality," for additional information.)

Automatic Eligibility

Under this system, the child's enrollment in the income-comparable program would be used as the basis for determining the child to be income-eligible for Medicaid or CHIP. In cases where a program collects additional information, such as immigration status or state residency, these aspects of the eligibility determination could also be made automatic.

While the Streamlined Approach simplifies the application process for families, it still requires the state to access or obtain and analyze information from the income-comparable program to make the final Medicaid/CHIP determination, thus not necessarily reducing the administrative burden on the state to the maximum extent possible. With the Automatic Eligibility approach, however, a state would determine which public programs fall within the income guidelines and methodology of its Medicaid/CHIP program, and allow a child enrolled in the income-comparable program to be automatically income-eligible for Medicaid.

Guidance issued by the Health Care Financing Administration (HCFA) on April 7, 2000 establishes a precedent for this idea.¹⁶ HCFA clarified that a state can accept another public programs' specific eligibility determination in determining Medicaid eligibility if the eligibility requirement under the program is equal to or more restrictive than Medicaid's. (This is discussed further in Chapter 4 *Implementation Issues to Address*, "Documentation Requirements.") In addition, the new ability of states to seek waivers under CHIP may provide additional flexibility in designing an Automatic Eligibility model.¹⁷ The Automatic Eligibility process is explored further in the next section.

CHAPTER 3

This section describes what states can do under current law to implement the Streamlined Application and Automatic Eligibility approaches to Express Lane Eligibility previously described. While the Targeted Outreach model can be used as an effective outreach tool, much is already being done in that arena and literature exists to assist its implementation.¹⁸ It is the last two models that we believe have the greatest untapped potential for making the health insurance application process simple for families, thereby reaching more children.

This section begins by reviewing the eligibility requirements for children that are common to all state Medicaid programs and Children’s Health Insurance Programs (CHIP). It then examines the possibilities for Express Lane Eligibility within two different state examples: those with Medicaid income eligibility thresholds well above the federal minimums (illustrated by Washington State) and those with Medicaid income eligibility thresholds close to the federal minimum and/or with separate CHIP programs (illustrated by California).

Basic Medicaid and CHIP Eligibility Requirements

Under Federal Medicaid and CHIP law, states have a great deal of flexibility in setting eligibility rules for children.¹⁹ As a consequence, Medicaid and CHIP income eligibility guidelines vary from state to state. (See Appendix D for Medicaid and CHIP income eligibility guidelines by state.) There are, however, a few eligibility requirements common to all states that affect the implementation of Express Lane Eligibility. These are:

Medicaid

Written Application

The state (or local) Medicaid agency must require a “written application” from “someone acting responsibly for the applicant [child].”²⁰ The agency has broad discretion as to what constitutes a “written application,” and federal authorities have expressly encouraged simple application forms.²¹ The application form must be signed under penalty of perjury.²²

Social Security Number

The state (or local) Medicaid agency must require each applicant child to furnish a social security number (SSN).²³ States are not allowed to require the SSN of non-applicant family members as a condition of eligibility, although a state may ask for voluntary disclosure of that information in order to speed up the eligibility determination process.²⁴

Income Information

States must collect information on earned and unearned income of the applying child’s family. The definition of “income” – that is, what types of income are counted – is specific to each state’s Medicaid plan,²⁵ but certain federal rules limit the extent to which income can preclude eligibility.²⁶ The definitions of “families” and “children” are tied to the former Aid to Families with Dependent Children (AFDC) rules, except in the case of children eligible on the basis of disability to which Supplement Security Income (SSI) rules apply.²⁷ States are not required to apply a resource (or assets) test to children; if they elect to do so, however, they must collect the relevant information.

Immigration Status

States must provide full-scope Medicaid coverage to eligible citizens and certain mandatory qualified aliens.²⁸ The state has the option to provide other non-mandatory qualified aliens who entered the US before August 22, 1996 with full-scope Medicaid.²⁹ Non-mandatory qualified aliens enter-

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ing after that date can be eligible after five years but only at state discretion.³⁰ Children who are citizens may establish their citizenship “on the basis of self-declaration,” regardless of the immigration status of their parents or other members of their households who are not applying for Medicaid. In the case of children who are qualified aliens, states are required to obtain documentation of immigration status and to verify the immigration status of the child with the Immigration and Naturalization Service (INS).³¹

Verification

State Medicaid agencies must verify the income of an individual who has been found to be eligible for Medicaid by requesting specified information from other state and federal agencies regarding income, including wage information from the Social Security Administration (SSA), unearned income information from the Internal Revenue Service (IRS), and unemployment compensation information from the appropriate state agency. Applicants are required, as a condition of eligibility, to consent to the disclosure of this information to the Medicaid agency for this purpose. These verification requirements apply to poverty-level children but not to children receiving cash assistance under SSI or Temporary Assistance to Needy Families (TANF).³² (See Chapter 4 *Implementation Issues to Address*, “Federal Verification Rules,” for additional information.)

Non-Medicaid CHIP³³

Written Application

States can utilize either a joint Medicaid/CHIP application or a separate CHIP application. The Health Care Financing Administration (HCFA) has encouraged simple application forms for CHIP, as it does for Medicaid.³⁴ The application form must be signed under penalty of perjury.³⁵

Social Security Number

States cannot require a SSN of an applicant child or their family members as a condition of eligibility, although a state may ask for voluntary disclosure of that information.³⁶

Income Information

States are given discretion to define income and set what to include, exclude and disregard; to define “family” for purposes of determining income; and to apply or not apply a resource test.³⁷

Immigration Status

States must provide CHIP coverage to eligible citizens and qualified aliens, including legal immigrants who entered the US before August 22, 1996 and those arriving on or after that date who have been in continuous residence for five years.³⁸ Self-declaration can be accepted as proof of US citizenship, while documentation of satisfactory immigration status is required for qualified aliens.³⁹

Verification

HCFA encourages, but does not require, states to use the same systems as for Medicaid (see above).⁴⁰

Insurance Status

States cannot use CHIP funds to cover Medicaid-eligible children or children insured by other than a pre-existing state-funded plan. Children also cannot be covered by CHIP if they are eligible for a state health benefits plan on the basis of a family member’s employment in a public agency that offers more than a nominal employer contribution.⁴¹ The CHIP statute does not require any particular documentation of such insurance status.

States with Medicaid Eligibility Thresholds Well Above the Federal Minimums

States with the highest potential for implementing Express Lane Eligibility are those with Medicaid eligibility thresholds for children that are significantly higher than the minimums required under Federal Medicaid law (133 percent of the Federal Poverty Level for children up to age 6, and 100 percent of the Federal Poverty Level for ages 6 through 16.) In addition, states that do not apply a resource or assets test to children are best situated for implementing Express Lane Eligibility.⁴²

With a higher threshold, there is a greater chance that a child who has established eligibility for an income-comparable program is by definition eligible for Medicaid in that state, thus enhancing the potential for smoothly implementing the Automatic Eligibility approach. To provide an example of how this could work, we looked at Washington State’s Medicaid and Food Stamps programs. (See Appendix E for charts outlining the eligibility guidelines for Washington State’s Medicaid and Food Stamp programs.)

Washington: A Case Model

Washington’s Medicaid program covers all children in families with incomes up to 200 percent of the Federal Poverty Level (FPL; \$34,100 for a family of 4 in 2000). This is a net income standard. That is, in determining whether a child’s family income is at or below this standard, the state uses a methodology for determining monthly income that deducts certain income. Specifically, Washington deducts:

- cash assistance the family receives under TANF or SSI;
- the first \$90 of earned income for each working individual in the child’s family;
- all court-ordered child support payments made; and
- all work-related child care expenses.

Thus, depending on the circumstances of the child’s family, its gross income (not disregarding any earned or unearned income, and not deducting child care expenses) might be higher than 200 percent of the FPL. In no case could a child with a gross family income lower than 200 percent of poverty be ineligible for Medicaid on the basis of income.

Under the Food Stamp Program in Washington, a child cannot be eligible if its family’s gross income – counted without disregarding or excluding any earned or unearned income – exceeds 130 percent of the FPL (\$22,165 for a family of 4 in 2000). The child’s family must also meet a net income test to qualify for Food Stamps – i.e., after specified deductions are applied, the family’s income must be below 100 percent of the FPL – but this is irrelevant for Express Lane Eligibility purposes.

What are relevant are the gross income ceiling and the definition of “family.” Washington’s Food Stamp Program defines a “household” as persons living together and purchasing and preparing food together. This is a broader definition that deems available to the child more income than occurs under Washington’s Medicaid definition of a medical assistance unit: an unmarried minor child and its parent(s) (whether married or not) living with the child.

Because the Food Stamp Program’s gross income ceiling is well below the Medicaid net income standard of 200 percent of the FPL, and because the size of a family for Food Stamps purposes is generally the same as or larger than that for Medicaid purposes and would include more persons’ income, virtually every child determined eligible for Food Stamps in Washington must also be income-eligible for Medicaid.⁴³

This analysis shows that, in a state like Washington, there is high potential for the Automatic Eligibility approach to Express Lane Eligibility. Such a state could use the fact of a child’s enrollment in the Food Stamp Program to establish the child’s income eligibility for Medicaid. For example, instead of requiring such families to enter income information on a Medicaid application, the family could simply be asked to supply its Food Stamps’ case number or the applicant’s social security number.

In addition, in Washington the Food Stamp Program could be used to implement the Automatic Eligibility approach to Express Lane Eligibility for children beyond just income. That is because, in addition to income eligibility, a child in a family eligible for Food Stamps would meet all of the Medicaid eligibility requirements:

• Resources

To qualify for Food Stamps in Washington, a child’s family must also show that its countable resources are less than \$2,000. Washington does not impose a resource test on the families of children applying for Medicaid. Thus, a child eligible for Food Stamps could not be ineligible for Medicaid on the basis of excess resources.



- **Information**

Each of the elements of information that the Washington Medicaid program requires from children applying for benefits (declaration of age, identity, and residency; declaration of income; proof of immigration status; and a social security number) is also required of families applying for Food Stamps, which has an even higher level of verification.

- **Immigration Status**

Legal immigrant children who are eligible for Food Stamps (those who entered the US on or before August 22, 1996) are also eligible for Medicaid in Washington. Although Washington also operates state-financed Medicaid and Food Assistance programs for other legal immigrant children, no legal immigrant child who qualifies for the Food Stamp Program would be ineligible for the federally matched Medicaid program on the basis of immigration status.

In short, because the eligibility criteria for Food Stamps in Washington are as restrictive, or more restrictive, than those applicable to children under the state's Medicaid program, there appears to be no reason why the state could not implement an Automatic Eligibility approach to Express Lane Eligibility for children in Food Stamps households. It looks as though all that Washington (or any other state in a similar circumstance) would need from such a family is an application form on which the family supplies:

- the child's name and social security number;
- the child's Food Stamps case number;
- an agreement to cooperate in pursuing third party liability⁴⁴;
- an agreement to release personal and financial information in the application for purposes of verification of eligibility; and
- a certification under penalty of perjury that this information is truthful.

A Word about States that Expanded Medicaid through CHIP

The 24 states that utilized CHIP funds to expand their Medicaid programs may be able to implement Express Lane Eligibility in the method previously described more easily than those with separate state programs.⁴⁵ However, there are some considerations these states would need to take into account. Under the CHIP statute, states receive an enhanced federal match for children becoming newly eligible for health coverage after March 31, 1997. Thus, the state receives an enhanced federal match for children enrolled under these CHIP expansions, whether in Medicaid or a separate state program. Where there is a Medicaid expansion, the state is free of CHIP's screen and enroll requirement. (See discussion following.) However, enhanced federal match is available only for children who would not have qualified for Medicaid under standards in effect on March 31, 1997.⁴⁶

One possibility is for a state to use a statistically valid sample of its relevant caseload, i.e. to sample only a percentage of Express Lane eligible children to determine the proportion ineligible under the March 1997 eligibility rules, then multiply that proportion by total Express Lane costs to determine the amount qualifying for the enhanced federal match.⁴⁷ The use of sampling, however, requires further federal guidance before implementing. Otherwise, these states need to first review their income guidelines prior to and after CHIP to determine which approach, the Streamlined Application or Automatic Eligibility, works best.

States with Medicaid Eligibility Thresholds Close to the Federal Minimums and/or with Separate CHIP Programs

In states that have set their Medicaid eligibility thresholds for children at or close to the federal minimums, the implementation of Express Lane Eligibility could use the Streamlined Application approach. One reason is that the Federal minimum income standard drops from 133 percent of the FPL (\$22,676 for a family of 4 in 2000) for children 6 and younger to 100 percent of the FPL (\$17,050 for a family of 4 in 2000) for children ages 6 through 16. Because the 100 percent standard is substantially lower than that used in such programs as Food Stamps or School Lunch (130 percent of the FPL and 185 percent of the FPL respectively), children age 6 or older who are eligible for these programs would not necessarily be income-eligible for Medicaid.

In addition, states with separate CHIP programs are required by federal law to screen all children for Medicaid eligibility before they are enrolled in CHIP. Children who are determined to be Medicaid eligible must be enrolled in Medicaid rather than CHIP. Thus, under the “screen and enroll” process, a state would need to know a child’s exact income in order to place him or her in the appropriate program. Automatic Eligibility could work, however, if it is used only to enroll children in the Medicaid program (such as in the example of Washington, which has a separate CHIP program with such a high income threshold that Food Stamp recipients could not be eligible).

For an example of how this would work in a state, we looked at California’s Medicaid, CHIP and Food Stamp programs. (See Appendix F for charts outlining the eligibility guidelines for California’s Medi-Cal, Healthy Families and Food Stamp programs.)

California: A Case Model

The Medi-Cal program (as Medicaid is known in California) covers infants up to age 1 in families with incomes up to 200 percent of the FPL, children ages 1 through 5 in families with incomes up to 133 percent of the FPL, and children ages 6 through 18 in families with incomes up to 100 percent of the FPL. Healthy Families (California’s CHIP program) provides coverage to children not eligible for Medi-Cal but with family incomes at or below 250 percent of the FPL. In counting family income for this purpose, California deducts certain types of income and a portion of child care expenses. California’s Food Stamp Program covers children in households with gross incomes that do not exceed 130 percent of the FPL. The definition of “household” for Food Stamps purposes (related and unrelated individuals living together and purchasing/preparing meals together) is broader than California’s definition of “medical assistance unit” for Medicaid purposes (related persons living in the same home with some responsibility for each other).

Thus, as in the case of Washington State, there is strong potential in California for the implementation of Express Lane Eligibility for infants up to age 1, and for children ages 1 through 5 in Food Stamp households. That is because, with respect to these two groups of infants and children, the gross income eligibility standard for Food Stamps is less than the net income eligibility standard for Medi-Cal. An infant or child under age 6 who is receiving Food Stamps can virtually never be in a family that has more income than what is permissible under Medi-Cal. Both the Streamlined Application and the Automatic Eligibility approach to Express Lane Eligibility would be available to California and similar states with respect to this population.

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This is not, however, the case for children 6 and older. These children are eligible for either Medi-Cal or Healthy Families. To make an eligibility determination, California would need to obtain the family's exact income information, which could be accomplished through a Streamlined Application approach. As previously discussed, the Streamlined Application approach can be implemented in various ways, depending on a number of different program variables including eligibility guidelines, program administration and technological ability to link between programs. In addition, there are different access points for implementation, whether the goal is to reach children currently enrolled in public programs or those newly enrolling. For illustrative purposes, the following is an outline of how this process could work in California.

1. Family Notified of Possible Eligibility: The family of a child enrolled in the Food Stamp Program would be notified that their child is potentially eligible for Medi-Cal or Healthy Families.

Notification could be done through the mail or in person when the family is enrolling or recertifying for Food Stamps. To eliminate confidentiality issues, the administrative entity for Food Stamps would be responsible for contacting the families. Wherever possible, the entity would also run a computer database cross-match to determine which children in its program are already enrolled in Medi-Cal or Healthy Families.

2. Family Completes a Short Form: If the family wants to enroll their child in Medi-Cal or Healthy Families, the parent would need to complete a short application that asks for permission to access the family's Food Stamps case file to make an eligibility determination, along with:

- the child's name;
- the child's social security number (optional for Healthy Families);
- the child's health insurance status;
- an agreement to cooperate in pursuing third party liability (required only for Medi-Cal);⁴⁸
- an agreement to release personal and financial information in the application for purposes of verification of eligibility; and
- a certification under penalty of perjury that this information is truthful.

Since the information that California's Medi-Cal and Healthy Families program requires from children applying for benefits (proof of age, identity, residency, income and immigration status) are also required of families applying for Food Stamps, the state would not have to seek such information again. However, this is probably not the case with other public programs, and the state would need to obtain additional information at this time, particularly immigration documentation. In addition, a state may also need to seek any additional or missing information required from families in a follow-up contact. For example, in the case of California, families must choose a health plan and provide premium payments to the state's Healthy Families program, but this step could only be accomplished once it is known for which program the child is eligible.

CHAPTER 4

If a state decides to undertake Express Lane Eligibility, there are a number of implementation issues it will need to address. The following is a review of these issues, along with recommendations for addressing them.

Confidentiality

Information exchange is essential to the success of Express Lane Eligibility. However, each program's rules and regulations contain confidentiality provisions that are intended to protect families' legitimate rights to privacy. Some confidentiality provisions are dictated at the federal level, while others are decided at the state or even the individual program level. A single agency can have different confidentiality rules depending on which agency makes the request, what information is requested, and for what purpose. In any case, efforts to design an Express Lane Eligibility system must address these provisions in a manner that allows for effective and practical information exchange on a wide scale while still respecting families' privacy concerns.

Interagency collaborative efforts have successfully addressed this challenge for a number of years, using flexible and creative approaches. In most cases, informed consent has been the basis for information sharing; in some cases, the law has been revised to allow for sharing between certain relevant programs, without the client's consent.⁴⁹

As a state designs the information sharing aspect of its Express Lane Eligibility program, some programs will have confidentiality rules that ease the process, while others will frustrate it. (See Appendix G for an overview of some relevant programs' confidentiality provisions.) Regardless of the programs involved, interagency agreements will probably be required, including assurances that the information obtained will be used only for outreach and/or enrollment purposes. In addition, staff for the programs will need to be educated about the reason for the information sharing, the agreements made, and how the process will work.

Most important, the client's and/or parent's informed consent should be built into the process. Guidance released by the United States Department of Agriculture (USDA) in the fall of 1998 on ways state and school officials can use the National School Lunch Program (NSLP) as a referral mechanism for Medicaid or the Children's Health Insurance Program (CHIP) is a useful example of how a parent's waiver of confidentiality can be obtained. (See Appendix B.)

In addition, recent federal legislation (effective October 1, 2000) further facilitates the sharing of information between the NSLP and Medicaid and CHIP by authorizing states and school food personnel to share information from school lunch applications with the health programs for outreach and enrollment activities.⁵⁰ The legislation requires that school food authorities who wish to participate inform families that their school lunch information will be shared with health agencies to enroll their children in a health program, and provide the families with the opportunity to elect not to disclose this information. States must also have a written agreement in place between school food authorities and state or local child health agencies to assure that shared information will be used only for enrollment purposes.

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Although the final regulations have not been issued, on July 6, 2000 the USDA issued guidance on the legislation's new rules concerning the disclosure of children's free and reduced price eligibility information for Medicaid and CHIP.⁵¹ In addition, the USDA released a prototype parent notification and a prototype of the required disclosure of information agreement between school food authorities and state or local child health agencies.⁵²

Immigration Restrictions

One of the most important issues to consider when implementing Express Lane Eligibility is the different immigration requirements of some public programs and those of Medicaid and CHIP. For example, while Medicaid and CHIP restrict general eligibility to US citizens and certain "qualified aliens," a number of public programs, including the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) and NSLP, do not. Under these instances, additional immigration information about the child must be obtained from the family to determine his or her eligibility for full-scope Medicaid or CHIP. However, it is important to ensure that any linkage between these programs and Medicaid and CHIP is not detrimental to the trust established between families and the other agencies.

One possibility is to make families aware of the immigration requirements for Medicaid and CHIP when the Express Lane Eligibility process is being implemented. For example, if a streamlined form is sent to families enrolled in another public program informing them that their child is potentially eligible for full-scope Medicaid or CHIP, it could include a statement concerning the immigration rules. If a family were concerned, they would have the option of not pursuing Express Lane Eligibility.

It is also important to ensure that the information collected by the Medicaid and CHIP agency from another public program will not be used for any other purpose than to determine eligibility for those programs. This could be accomplished through state legislation or through interagency agreements.

Documentation Requirements

Federal rules do not require families seeking coverage for their children under Medicaid or CHIP to provide documentation of information provided in the application, except when the person seeking coverage is not a citizen, in which case documentation of the non-citizen's immigration status is required.⁵³ Therefore, states have significant flexibility in allowing families to self-certify most of the information included on the application. This should allow a state to accept the information provided by a family to another public program as a form of self-certification for purposes of making a Medicaid or CHIP eligibility determination.

A growing number of states including Washington, Maryland and Georgia already allow applicants to self-certify income and other information presented in their health applications.⁵⁴ Washington, for example, has eliminated all documentation requirements for its Medicaid for children program except for alien status. A recent analysis of Washington's application found that most misstatements of income were due to mistakes and that even when people failed to verify their income information, they were still income-eligible for the program.⁵⁵

In addition, recent guidance issued by the Health Care Financing Administration (HCFA) in an April 7, 2000 State Medicaid Directors' letter includes clarification on whether a state can rely on other public programs' information and eligibility determinations to make Medicaid determinations.⁵⁶ Although the comments were provided in the context of ex parte reviews for establishing Medicaid eligibility for former Temporary Assistance to Needy Families (TANF) recipients, HCFA has indicated that the guidance can be applied in other circumstances, including Express Lane Eligibility. The guidance stipulates that a state can:

- **Use accurate information available from other public programs to make Medicaid eligibility determinations, without contacting the family.** The letter states that "information that the State or Federal government currently relies on to provide benefits under other programs, such as TANF, Food Stamps, or SSI, should be considered accu-

rate to the extent that those programs require regular redeterminations of eligibility and prompt reporting of changes in circumstances.”

- **Utilize another program’s eligibility determination in determining eligibility for Medicaid.**

The guidance stipulates that “when an eligibility requirement under another program applies equally to the Medicaid program, the State may accept the other program’s determination with respect to this particular eligibility requirement.”

Using this letter as a precedent, a state can utilize information from another public program that makes regular determinations and requires reporting of changes in circumstances to make a Medicaid eligibility determination. A state can also accept the eligibility determination of another program with respect to specific eligibility requirements when making its own Medicaid eligibility determination, if the eligibility requirement under the program is equal to or more restrictive than Medicaid’s. Further guidance is expected from HCFA on how a state determines which public programs can be used for these purposes, i.e. the definition of “regular determinations of eligibility and prompt reporting of changes in circumstance.”

Federal Verification Rules

When the state finally makes an eligibility determination using information provided from other programs, it is still required to meet the federal rules for verifying such information.

As previously mentioned, federal Medicaid rules require states to conduct a post-eligibility verification of income through an income and eligibility verification system (IEVS). Under IEVS, the state must request information from other federal and state agencies to verify the applicant’s income. This requirement is necessary whether an applicant has provided documentation or self-certified their income.

However, states have some flexibility in implementing IEVS, since federal law requires income and other information to “be requested and utilized to the extent that [it] may be useful in verifying eligibility for, and the amount of, benefits available.”⁵⁷ What is “useful” is not defined. As a result, some states run every applicant’s name through IEVS, while others only run those with certain types or levels of income.

Express Lane Eligibility does not change a state’s verification system. More specifically, the information received on the child’s family income would simply be verified through IEVS. However, in instances in which the comparable public program being used for Express Lane Eligibility already verifies income through IEVS, there should be less need to run an IEVS check on that participant for Medicaid purposes. For example, since most, if not all, Food Stamp programs require the same post-eligibility requirements for IEVS as Medicaid, a state can make the case that it is not “useful” to run these applicants through IEVS, and that the post-eligibility verification standards have already been met.

The CHIP program does not have post-eligibility verification rules, although states are encouraged to implement a system similar to the one they operate for Medicaid. Thus, under Express Lane Eligibility, a state could simply use the child’s enrollment in another public program as verification for CHIP. To ensure quality control, the state would require documentation or some other verification that the child is enrolled in the other program.

Medicaid Eligibility Quality Control

Separate from IEVS, states are required to operate a Medicaid Eligibility Quality Control (MEQC) program. MEQC is required by federal law, and allows sanctions to be imposed on states for MEQC errors where payments under the state plan are made to ineligible individuals and families at unacceptable rates. Random sampling is used to review eligibility and determine whether a state has unacceptable error rates, in an effort to reduce erroneous federal expenditures.

The question arises, then, whether states would be able to meet these quality control guidelines if they implement Express Lane Eligibility. Would a state be liable for MEQC errors that are based on the mistaken eligibility findings of other government programs and agencies? Would an Express Lane Eligibility program raise error rates beyond acceptable levels?

Since a 1994 Department of Appeals Board (DAB) ruling made it extremely cumbersome for HCFA to meet the sampling standard needed for calculating error rates, HCFA has allowed pilot programs that give states room to design their own MEQC program. Significantly, over half of the states are operating under such pilot programs and their MEQC error rates are frozen at the level achieved before the pilot programs were implemented.⁵⁸ As long as the state operates the pilot program, there is no threat of MEQC disallowances.

In addition, states that still operate traditional MEQC programs are under minimal threat of MEQC disallowance, given that it has been over 10 years since HCFA has taken an MEQC disallowance. HCFA has stated that states that maintain “prudent administrative control over their Medicaid programs” have “little likelihood” of being “held disallowance liable.”⁵⁹ If a state’s error rate does exceed the allowable 3 percent tolerance rate and the state is found liable, it can still appeal, at which point HCFA will take into account the prudence of the state’s program in assessing liability. In addition, in its CHIP regulations HCFA has proposed that it waive any errors that a state can show were linked to new legislation (i.e., CHIP and welfare reform).⁶⁰

Given the current application of MEQC and HCFA’s stated desire to make eligibility policies more family friendly, Express Lane Eligibility is unlikely to lead to MEQC problems. In fact, recent HCFA guidance suggests that HCFA officials are more concerned with improper terminations of eligibility than erroneous approvals.⁶¹

Funding Resources

Express Lane Eligibility requires state and local entities other than Medicaid or CHIP, such as school nutrition programs, etc., to become involved in activities to identify and/or assist with enrolling children in health coverage. This raises questions about the ability of such entities to implement Express Lane Eligibility without receiving the additional resources necessary to carry out the new responsibilities being placed on them, particularly if children’s health insurance is not part of their charge. This is especially true when an entity is prohibited from allocating any of its funding to non-related activities, as is the case with WIC.

Another example is the National School Lunch Program. The USDA made an important step by issuing prototype school lunch applications allowing the exchange of information between school lunch and Medicaid and CHIP agencies. (See Appendix B.) However, processing the new applications and forms adds administrative responsibilities for school personnel responsible for administering the school lunch programs, whose time is already spread thin. Even under a simple referral process, an application that is returned to school personnel with the box checked saying the family wants to receive information on children’s health coverage must be forwarded to the Medicaid/CHIP agency. This involves staff time, photocopying, mailing costs, etc. As a result, some schools have decided not to use the form, while others have had difficulties implementing the procedures required to process the form.

These same resource issues would arise if the state, for example, worked with the Food Stamp Program to send out a mailing to all of its uninsured children seeking their approval to access their Food Stamp case file. This process would involve staff time, printing and mailing costs.

It is important, therefore, for a state to consider the different administrative requirements of Express Lane Eligibility and ensure that the necessary resources are targeted to it. Several existing funding strategies can be used:⁶²

CHIP Allocation

A state is allowed to spend up to 10 percent of its total CHIP expenditures (federal and state) on non-benefit activities, including outreach. Outreach activities are defined as activities to inform families of CHIP or other public/private health coverage programs. Thus, a state has flexibility in claiming costs associated with joint Medicaid and CHIP outreach efforts through its CHIP allotment. These expenditures are matched at the CHIP rate, which varies by state but ranges from 65 to 85 percent. However, a number of state officials have already voiced concerns that this percentage does not cover their current outreach activities.

Medicaid Administrative Match⁶³

Medicaid law does not limit the amount of money a state can spend on outreach efforts to enroll people in Medicaid. The Federal government will match such spending at a 50 percent rate. Some of the activities a state can undertake to claim this match are: informing families about Medicaid through brochures or other promotional materials; assisting families in completing Medicaid applications; and providing the necessary forms and packaging for Medicaid eligibility determinations.⁶⁴

A state implementing Express Lane Eligibility could claim either the Medicaid or CHIP match for a number of joint Medicaid and CHIP outreach activities.⁶⁵ This is also true if the activities were undertaken by another entity, such as a Food Stamp office, WIC site or school. This could include costs associated with informing families about their children's potential eligibility for Medicaid/CHIP, developing written materials and simplified forms, transfer of information to the Medicaid/CHIP agency in order to determine eligibility, training of staff, and assistance provided to children in enrolling.

For a state to claim expenses conducted by another entity under Medicaid or CHIP, it would need to develop an interagency agreement or contract with the state Medicaid or CHIP agency.⁶⁶ This agreement or contract would specify the activities the entity will undertake, what funding will be provided, and on what basis the payment will be made. In addition, it would be possible for the agreement to specify that the entity will provide the required state match, if the funds (state or local) are not being used as a federal match for another program. Rules regarding what a state can utilize to cover a non-federal share would apply in this situation.⁶⁷

The \$500 Million Fund: In addition to the CHIP and Medicaid federal matching funds, it might be possible for a state to fund its Express Lane Eligibility activities through a special \$500 million Medicaid fund created to assist states in ensuring that children and parents do not lose Medicaid coverage as a result of welfare reform's delinkage of Medicaid eligibility from cash assistance. Each state was allocated a portion of the \$500 million, from which it can claim matching funds at rates of 75 or 90 percent. In November 1999, Congress passed legislation that eliminated any time limits placed on this fund. As of September 30, 1999, states had utilized 20 percent of the fund.⁶⁸

Although this fund targets families directly affected by the delinking of welfare and Medicaid, on March 22, 1999, HCFA issued guidance clarifying that a state is still eligible for these funds even if its activities to identify these individuals result in the individuals becoming enrolled in other health coverage programs. Thus, a state has some flexibility in designing an outreach program through this fund.⁶⁹

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There are specific precedents where the concept of linking eligibility for one program with another has been incorporated into law and practice. The primary intent of doing so was to make it easier for eligible families to enroll in programs and to cut down on administrative paperwork.

In addition, some of the difficulties in implementing Express Lane Eligibility raised in this report have been addressed legislatively. In the following examples of the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) and the National School Lunch Program (NSLP), confidentiality concerns became nonexistent when legislation allowed one program to share information with another program. In these cases, legislative or regulatory language was also clarified to ensure that any information shared would be used for eligibility purposes only. Documentation and verification issues have also previously been addressed legislatively by stipulating that one program could rely on the documentation and verification of another program.

In some instances, legislation has authorized individuals' eligibility for a program for which they would not otherwise be eligible. For example, since 1980, school districts with large proportions of low-income children have been allowed to offer free meals to all children, no matter what their income.⁷⁰ In addition, Food Stamp law requires that any time all members of a Food Stamp household receive Temporary Assistance to Needy Families (TANF) benefits, the household is categorically eligible for Food Stamps. Since many states now allow families that are moving from welfare to work to have assets, such as a car, and remain eligible for TANF, this link allows families to receive Food Stamps even if their assets would otherwise disqualify them.⁷¹

The following provides examples of two programs, the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) and the National School Lunch Program (NSLP), that have successfully used a legislative mandated linkage with another program to find eligible children.

WIC Adjunctive Eligibility

In 1989 Congress authorized WIC agencies to accept an applicant's documented participation in Medicaid, Food Stamps and TANF⁷² as evidence of income eligibility for WIC. Although an applicant is still required to meet WIC's additional eligibility requirements — that the applicant is nutritionally at-risk and a state resident — this so-called adjunctive eligibility has substantially streamlined the WIC application process.

In 1998, 57 percent of WIC recipients (which includes women and children ages 0-5) were receiving benefits from at least one program — Medicaid, Food Stamps or TANF — at the time of their WIC certification. Almost half (48 percent) received Medicaid benefits.⁷³

Adjunctive eligibility is not, however, allowed in the opposite direction; i.e., Medicaid cannot accept an applicant's documented participation in WIC as evidence of income eligibility for Medicaid. Thus, an estimated 24 percent of all uninsured children who are potentially eligible for Medicaid and CHIP participate in the WIC program (see Chapter 1 *Uninsured Children Already Enrolled in Public Programs*).⁷⁴

What the Law Says

Congress's intent for establishing adjunctive eligibility for WIC was to reduce the administrative burden on WIC staff, expedite an applicant's entry into the program, remove potential barriers to program participation, and increase referrals between WIC and other health and social service programs.

When the legislation was initially authorized, the three programs chosen for inclusion had federal income guidelines below WIC’s income limit of 185 percent of the FPL. Since that time, many states have expanded Medicaid income eligibility beyond 185 percent of the FPL. However, because of the way the law was drafted, women or children applying to WIC today who are in a Medicaid program that has income guidelines above 185 percent of the FPL are also automatically deemed income-eligible for WIC.

The text is as follows:

(A) The State agency shall accept as income-eligible for the program any applicant who documents that he/she is:

(1) Certified as fully eligible to receive food stamps under the Food Stamp Act of 1977, or certified as fully eligible, or preemptively eligible pending completion of the eligibility determination process, to receive Aid to Families with Dependent Children (AFDC) under Part A of Title IV of the Social Security Act or Medical Assistance (i.e., Medicaid) under Title XIX of the Social Security Act; or

(2) A member of a family that is certified eligible to receive assistance under AFDC, or a member of a family in which a pregnant woman or an infant is certified eligible to receive assistance under Medicaid.

(B) The State agency may accept, as evidence of income within Program guidelines, documentation of the applicant’s participation in State-administered programs not specified in this paragraph that routinely require documentation of income, provided that those programs have income eligibility guidelines at or below the State agency’s Program income guidelines.

(C) Persons who are adjunctively income eligible, as set forth in paragraphs (d)(2)(vi)(A) of this section, shall not be subject to the income limits established under paragraph (d)(1) of this section.⁷⁵

How It Works

Each state, and in some cases local agencies, operates the WIC program’s adjunctive eligibility provision differently. Generally, however, when a person comes into a local WIC agency to apply for benefits, WIC staff will determine their income eligibility by first asking whether they are enrolled in Medicaid, Food Stamps and/or TANF.

If the applicant reports enrollment in one of the programs, WIC staff must confirm their participation.⁷⁶ Proof can be provided by the applicant in the form of documentation from the adjunctive program or can be acquired by the state through a computer system. If the applicant is not enrolled in any of the programs, the staff makes the income determination based on information (and documentation) provided by the applicant regarding their income, household size, etc. In either case, prior to making a final eligibility determination, the applicant must undergo an in-person interview and be determined to meet other program requirements, including that they are nutritionally at-risk and a state resident.

School Lunch Categorical Eligibility & Direct Certification

The School Lunch Program has two ways in which states can streamline the school lunch application process for recipients of Food Stamps, TANF or the Food Distribution Program on Indian Reservations (FDPIR).⁷⁷ In addition to these three programs, the Head Start program, which has an income limit of 100 percent of the FPL, is also included when the Head Start program is located in a school or if a school has access to Head Start enrollment information.

Categorical Eligibility

“... if application is being made for a child who is a member of a food stamp, FDPIR or TANF household, the application shall enable the household to provide the appropriate food stamp or TANF case number or FDPIR case number or other identifier in lieu of names of all household members, household income information and social security number.”⁷⁸

In 1986 Congress approved an amendment to the National School Lunch Act (NSLA) that allows children receiving Food Stamps, FDPIR and TANF to be automatically eligible for free meals or milk without further application or eligibility determination. These provisions relate only to free meals and milk, not to the reduced price meals, because the income guidelines (up to 130 percent of the FPL) for free meals and milk are similar to those for Food Stamps. The law also specifies that categorical eligibility can be granted for TANF recipi-

ents only when the state's TANF income guidelines do not exceed 130 percent of the FPL. There is no attention given to or mention made of how each program determines family income, although each program does so differently.

Based on the law, families filling out the school lunch application who are enrolled in these programs are allowed to list their Food Stamp, FDPIR or TANF case number instead of providing detailed household size and income information.⁷⁹ Officials estimate that 85 to 90 percent of school districts have implemented this procedure, whereas the rest use direct certification (see below).⁸⁰

A state is required to verify the applicant's enrollment in the program, either by confirming it with the local food stamp or welfare office or by obtaining a copy of the applicants' official enrollment documentation. An identification card for either program is only acceptable as verification if it contains an expiration date. Under this process, no other verification by the state is required to determine the applicant's eligibility for free meals and milk.

Direct Certification

*"In lieu of determining eligibility based on information provided by the household on the free and reduced price meal or milk application, school food authorities may determine children eligible for free meals or milk based on documentation obtained from the appropriate State or local agency responsible for the administration of the Food Stamp Program, FDPIR and/or the TANF Program, hereafter referred to as direct certification."*⁸¹

In 1989 the NSLA was again amended to further simplify the ability of Food Stamp, FDPIR and TANF families to obtain free meals and milk for their children. Under direct certification, school lunch authorities can certify children eligible for free meals or milk by obtaining documentation of a child's receipt of Food Stamps, FDPIR or TANF directly from the appropriate agency. A family that is certified under this procedure is not required to complete an application.

Not only is the intent of direct certification to simplify the application process for families, it is also meant to cut down on a school district's paperwork. A school district commonly takes the following steps to implement direct certification:

• First

The Food Stamp, FDPIR or TANF agency cross-references student lists obtained from the school district against their enrollment files. To validate the cross-reference, at least one piece of identifying information, besides the child's name, must be used to make the match. This identifier could include addresses, date of birth, parents' names, social security numbers, etc. A signature or other verification is also required from the Food Stamp, FDPIR or TANF officer certifying that each child is a member of a Food Stamp, FDPIR or TANF household.

• Second

Those children who are not already enrolled in the School Lunch Program but who are enrolled in the Food Stamp, FDPIR or TANF program are automatically certified as eligible for free meals and milk. The school district then notifies the family in writing that their child(ren) are certified. The family is not required to submit any other information and must only respond if they do not want their children to receive the benefits.

Rules that went into effect on January 27, 2000 also allow a family to receive documentation directly from a Food Stamp, FDPIR or TANF agency certifying their child's enrollment in Food Stamps, FDPIR or TANF. In this instance, the family would provide the documentation to the school lunch officials and would not be required to submit any additional information prior to being enrolled.

Although officials estimate that direct certification is only used in 10 to 15 percent of school districts, the numbers are growing.⁸² It seems to work most efficiently in large school districts with high ratios of low-income children. In California, for example, almost a third of its 902 school districts use direct certification and efforts are underway to increase this number.⁸³

CHAPTER 6

While there are certain challenges to designing an Express Lane for children into health care, the effort seems well worth it given the potential benefits. However, because much of this is uncharted territory, a state or county wishing to get started may want to think about chipping off one area at a time. Based on our research, we believe that the Food Stamp Program holds the best likelihood of working in most states and we recommend it as a starting point. In addition, communities can start to undertake the research, analysis and legwork required to move beyond Food Stamps to other programs. The following outlines the two implementation steps a state or county could undertake.

Implementation Step 1: Create an Express Lane for Children through Food Stamps

From a nationwide perspective, the Food Stamp Program seems the easiest to fit into an Express Lane Eligibility model. Food Stamps has a sufficiently low income threshold (net income of 100 percent of the Federal Poverty Level) that most child enrollees are also income-eligible for Medicaid — thus simplifying Express Lane Eligibility’s administration and easing the way to meeting CHIP’s “screen and enroll” requirements. In addition, its citizenship guidelines are similar to those of Medicaid and, in many states and counties, the same agency administers both Food Stamps and Medicaid. Finally, the Food Stamp Program’s confidentiality guidelines allow Medicaid agencies to use information in its case files to establish or verify eligibility. (See Appendix G.)

Steps to take include:

- ✓ Review the guidelines and administrative systems of Medicaid, the Children’s Health Insurance Program (CHIP) and Food Stamps to determine whether the Streamlined or Automatic model works best for your state. This should include determining how each agency maintains its records (electronic vs. paper) to assess the ease or difficulty of sharing client information. Attempt to reconcile program differences that may impede Express Lane Eligibility.
- ✓ Seek the support of the governor and the head of the state health and welfare agencies.
- ✓ Form an Interagency Task Force with Food Stamp and Medicaid agency staff to develop and implement the system. Include directors and personnel with decisionmaking authority, as well as appropriate agency staff from both the state and local levels. Involve information systems and eligibility specialists for both programs.
- ✓ Develop any necessary interagency or intra-agency agreements, detailing each agency’s roles and responsibilities as well as identifying funding sources for the activities and the non-federal share of the match.
- ✓ Determine whether the agencies’ databases can be coordinated to automate any part of the process.
- ✓ Obtain any federal approval necessary to change the state Medicaid plan to eliminate minor rule differences — such as some income-counting differences. Or, consider applying for a waiver under CHIP or Medicaid to eliminate any barriers.

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Implementation Step 2: Create an Express Lane through other Programs in Your State

While Food Stamps may be the simplest program to start with, a state or county need not stop there. There are a number of other steps you can take to move forward with Express Lane Eligibility. Where possible, we have attempted to provide you with some necessary tools for getting started.

- ✓ Use Appendix H to make a quick determination of which programs best align with your state's Medicaid and CHIP guidelines. Review the specific guidelines within your state for these potential public programs to determine which will best accommodate Express Lane Eligibility options in your state or local community – use the Washington and California models provided in this publication as examples of how to undertake the analysis. (See Chapter 3 and Appendices E and F.)
- ✓ Examine the programs' administrative structures, including how each program maintains its client records, to decide which allow Express Lane Eligibility to be implemented most efficiently and effectively.
- ✓ Determine whether the Express Lane model should be implemented on a statewide basis or at a county/local level, based on administrative structures and authorities.
- ✓ Acquire the support of each agency director and/or commissioner. If possible, obtain the support of the governor or other high-level state administrators.
- ✓ Form an Interagency Task Force with the agencies that will be involved in structuring Express Lane Eligibility. Involve information systems staff and eligibility specialists from relevant agencies, including personnel from both the state and local levels.

- ✓ Examine the possibility of seeking a federal waiver under CHIP or Medicaid to implement the Express Lane Eligibility model.

- ✓ If needed, develop legislative or budget language to provide your Medicaid/CHIP agency with the resources and authority necessary to design and implement an Express Lane Eligibility system. For sample legislative language used in California, see Appendix I.

- ✓ Develop and work for legislative changes in your state to streamline Medicaid and CHIP and improve the potential success of Express Lane Eligibility, such as implementing 12 months of continuous eligibility, eliminating the assets test and allowing families to self-certify their income.

Conclusion

Express Lane Eligibility holds the potential to simplify public programs for families and to enroll many more children in needed health care. But as this briefing book and guide has shown, this common-sense idea is not as straightforward to put into place as it would seem, because a number of bureaucratic challenges requiring persistence and creativity will arise between the starting and finish lines.

More than anything, successful implementation of Express Lane Eligibility requires policymakers and administrators at the state and local level to be strong leaders for reform. But challenges like this are nothing new. States and local communities have worked for years to fashion interagency agreements that grease the wheels so public programs can work together more smoothly. Now is the time to continue this resolve and vision to adapting the Express Lane idea, which has benefited so many Americans on highways and in supermarkets, to public health programs.

Note: Links to all web site addresses are available at www.childrenspartnership.org

¹ US Census Bureau, Current Population Survey, 1999, calculations by the Center on Budget and Policy Priorities. 3.4 million uninsured children would be eligible for CHIP and 4.6 million would be eligible for Medicaid. Reflects number of uninsured children in 1998 who would have been eligible for coverage under the income thresholds used by states in November 1999 or under income thresholds slated to go into effect in early 2000. They do not take into account other eligibility requirements, such as immigration status. Also, some of these uninsured children may have enrolled in coverage since 1998.

² Ibid. The total number of uninsured children in the US is estimated at 11.5 million.

³ See Michael Perry, R. Burciaga Valdez and Christina Chang, *Medicaid and Children: Overcoming Barriers to Enrollment*, The Kaiser Commission on Medicaid and the Uninsured, January 2000, www.kff.org/content/2000/2174 and *Speaking Out...What Beneficiaries Say About the Medi-Cal Program*, Medi-Cal Policy Institute, February 2000, www.medi-cal.org/publications/viewpub.cfm?itemID=1317.

⁴ Health Care Financing Administration, Letter to State Health Officials, September 10, 1998, www.hcfa.gov/init/chpelig.htm.

⁵ Health Care Financing Administration, Letter to State Health Officials, July 31, 2000, www.hcfa.gov/init/ch73100.htm.

⁶ Health Care Financing Administration, Letter to State Health Officials, June 26, 2000, www.hcfa.gov/init/ch62600.htm.

⁷ Health Care Financing Administration, Letter to State Medicaid Directors, April 7, 2000, www.hcfa.gov/medicaid/smd40700.htm.

⁸ See www.100percentcampaign.org/express.html for additional information.

⁹ Deborah Bachrach, Katherine Lee Yang, Clarke Bruno and Anthony Tassi, *Implementing Express Lane Eligibility in New York State*, United Hospital Fund, May 2000.

¹⁰ Available at www.childrenspartnership.org/pub/expresslane/index.html or by calling (310) 260-1220.

¹¹ See Endnote 1.

¹² Genevieve M. Kenney, Jennifer M. Haley and Frank Ullman, *Most Uninsured Children Are in Families Served by Government Programs*, The Urban Institute, December 1999, www.urban.org. Estimates drawn from the 1997 National Survey of America's Families (NSAF), a national household survey that provides information on over 100,000 children and nonelderly adults. In determining the potential reach of the NSLP or WIC program, it was assumed that all children in the household could be targeted through the given program. Note: The Urban Institute expects to update its analysis using 1999 NSAF data in the fall of 2000, and is considering the potential of including other public programs.

¹³ Different resources are available on current state efforts to conduct school-based health insurance outreach, specifically through the NSLP. See www.fns.usda.gov/cnd/menu/whatsnew/WhatsNew.htm; Families USA, *Promising Ideas in Children's Health Insurance: Coordination with School Lunch Programs*, May 1999, www.familiesusa.org/schbrief.htm; and Donna Cohen Ross, *Fostering A Close Connection: Report to Covering Kids on Options for Conducting Child Health Insurance Outreach and Enrollment Through the National School Lunch Program*, Center on Budget and Policy Priorities, January 2000, www.cbpp.org/1-20-00health.htm.

¹⁴ Agricultural Risk Protection Act of 2000 (H.R. 2559), enacted June 20, 2000 (Public Law 106-224). The fall of 1998 USDA prototype applications are still relevant, since it is at the discretion of school food service operators whether or not to implement the new rules established through the federal legislation. In addition, the prototypes are good examples for use by other programs.

¹⁵ Ibid. For guidance on the new legislation see USDA, Child Nutrition Programs: CHIP-Medicaid Policy Memorandum, July 6, 2000, www.fns.usda.gov/cnd/SCHIP/SCHIP_Medicaid.policy.htm.

¹⁶ Health Care Financing Administration, Letter to State Medicaid Directors, April 7, 2000, *ibid*.

¹⁷ Health Care Financing Administration, Letter to State Health Officials, July 31, 2000, *ibid*.

¹⁸ See Endnote 13.

¹⁹ For an overview of the various Medicaid eligibility pathways, see Andy Schneider, Kristen Fennel, and Peter Long, *Medicaid Eligibility for Families and Children*, Kaiser Commission on Medicaid and the Uninsured, September 1998, www.kff.org/content/archive/2106/eligibility.html. Under federal CHIP law, states have much more flexibility to set eligibility rules than they do under Medicaid; states are allowed to establish different eligibility standards for different groups of children, with some exceptions.

²⁰ 42 CFR 435.907.

²¹ Health Care Financing Administration, Letter to State Health Officials, September 10, 1998, *ibid*.

²² 42 CFR 435.907(b).

²³ 42 CFR 435.910. An applicant's social security number is not required if the applicant is seeking coverage of emergency Medicaid services.

²⁴ Health Care Financing Administration, Letter to State Health Officials, September 10, 1998, *ibid*.

²⁵ 42 CFR 435.601(d).

²⁶ For example, a state's rules may not take into account income or assets that are not available, may not use methodologies that are more restrictive than those employed in the most closely related cash assistance program, etc. See 42 USC 396a(a)(10).

²⁷ 42 CFR 435.4. Medicaid counts income and assets for related persons living in the same home who have financial responsibility for the health of the applicant (spouse for spouse, parent for child.)

²⁸ 42 CFR 436.406(b). Mandatory qualified aliens include veterans or persons on active military duty and their dependents; refugees, asylees and Cuban and Haitian entrants for seven years after entry; aliens whose deportation has been withheld; Amerasian immigrants for five years after entry; and lawful permanent residents who can be credited with 40 quarters of social security coverage. Otherwise eligible aliens qualify for coverage of emergency services, regardless of immigration status.

²⁹ Only one state, Wyoming, has not retained eligibility for this group of qualified aliens.

³⁰ Health Care Financing Administration, *Link Between Medicaid and the Immigration Provisions of the Personal Responsibility and Work Opportunity Act of 1996*, www.hcfa.gov/medicaid/wrfs3.htm.

³¹ Health Care Financing Administration, Letter to State Health Directors, September 10, 1998, *ibid*.

³² 42 CFR 435.948.

³³ Regulations governing non-Medicaid CHIP programs are still in proposed form at Federal Register, November 8, 1999 (Volume 64, Number 215), to be set forth in regulations at 42 CFR 457, Subchapter D. See www.hcfa.gov/init/chnprm.htm. Note: CHIP-related Medicaid programs are governed by Medicaid regulations.

³⁴ Health Care Financing Administration, Letter to State Health Directors, September 10, 1998, *ibid*.

³⁵ Addressed in Title XI.

³⁶ Health Care Financing Administration, Letter to State Health Directors, September 10, 1998, *ibid*.

³⁷ Health Care Financing Administration, Administration's Responses to Questions about the State Children's Health Insurance Program, July 29, 1998, Q #105, www.hcfa.gov/init/qa/q&a7-29.htm.

³⁸ Health Care Financing Administration, Letter to State Health Officials, January 14, 1998, www.hcfa.gov/init/chipimms.htm.

³⁹ What constitutes adequate verification of immigration status is still being finalized in federal regulations; however, HCFA has already issued clarification on this point. See HCFA, Letter to State Health Officials, September 10, 1998, *ibid*.

⁴⁰ Shuptrine and Hartvigsen, *The Burden of Proof: How Much Is Too Much for Child Health Coverage?*, The Southern Institute on Children and Families, December 1998, pp. 3, 6, www.kidsouth.org/burden.html.

⁴¹ Health Care Financing Administration, Letter to State Health Officials, August 27, 1997, www.hcfa.gov/init/schiplt3.htm and Health Care Financing Administration, Administration's Responses to Questions about the State Children's Health Insurance Program, July 29, 1998, *ibid*.

⁴² Andy Schneider, *ibid*. About 10 states still apply an assets test for children, which means they identify and value resources the child's family owns for purposes of determining Medicaid eligibility.

⁴³ It is possible that some Food Stamp households could have the same income as the Medicaid budget unit and, yet, be at a lower percentage of the federal poverty level. This could occur if additional children who do not bring in income are counted for the Food Stamp household (they live and purchase/prepare meals together) but not for the Medicaid family (they are not the responsibility, or child, of the income-earning adult). However, this scenario is probably rare and may not move the unit above Medicaid qualifying levels in any case given that: a) the

children in the household would likely be that adult's legal responsibility, b) it is to the financial advantage of groups to split into as many Food Stamp households as possible, and c) any independent children could qualify as separate Medicaid units if no adult is legally responsible for their health care. Concern about this possibility should not deter the implementation of Automatic Eligibility. First, information to make an individual assessment should be available in the Food Stamp file, allowing states to examine questionable cases. In addition, a state could possibly seek a waiver under CHIP or Medicaid to address this issue. Last, HCFA has indicated its willingness to work with a state on this issue when a state's goal is to increase coverage to uninsured children.

⁴⁴ Medicaid also requires cooperation in establishing paternity and obtaining medical support, except in the case of poverty level pregnant women and persons who have good cause to refuse to cooperate. However, children cannot be denied or terminated due to lack of cooperation on the part of an adult. CHIP has no such requirement. See Shuptrine and Hartvigsen, *ibid.*, p. 16.

⁴⁵ States or territories with approved Medicaid expansions through CHIP, as of July 24, 2000 include: Alaska, American Samoa, Arkansas, North Mariana Islands, District of Columbia, Guam, Hawaii, Idaho, Louisiana, Maryland, Minnesota, Montana, Nebraska, New Mexico, Ohio, Oklahoma, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Virgin Islands and Wisconsin. See: www.hcfa.gov/init/chip-map.htm.

⁴⁶ Health Care Financing Administration, Letter to State Health Officials, February 13, 1998, www.hcfa.gov/init/chsub213.htm.

⁴⁷ There is a precedent for the use of sampling to claim a federal match. In New York State Department of Social Services, DAB No. 1134 (1990), the court ruled that federal authorities must accept sampling to claim Medicaid federal financial participation for health coverage originally provided under a non-Medicaid program for children and others.

⁴⁸ See Endnote 44. See also California Welfare & Institutions Code Section 14008.7.

⁴⁹ For further discussion of these issues, see *Joining Forces*, Center for Law and Social Policy, American Public Welfare Association, Council of Chief State School Officers, Education Commission of the States, *Confidentiality and Collaboration: Information Sharing in Interagency Efforts*, January 1992.

⁵⁰ Agricultural Risk Protection Act of 2000 (H.R. 2559), enacted June 20, 2000 (Public Law 106-224).

⁵¹ See Endnote 15.

⁵² The *Prototype Letter to Parents* and the *Prototype Disclosure Agreement Between School and Medicaid or SCHIP Officials* can be downloaded as an MS Word document at www.fns.usda.gov/cnd/menu/whatsnew/WhatsNew.htm or www.fns.usda.gov/fns.

⁵³ Shuptrine and Hartvigsen, *ibid.*

⁵⁴ See www.cbpp.org/shsh/stateverify.htm for a list of states that allow self-declaration of income.

⁵⁵ Washington Department of Social Health Services, Medical Assistance Administration, MEDS Code 80 Denials: Medicaid Eligibility Quality Control (MEQC) Project, February 1998.

⁵⁶ Health Care Financing Administration, Letter to State Medicaid Directors, April 7, 2000, *ibid.* See also Liz Schott, *Issues for Consideration as States Reinstate Families that were Improperly Terminated from Medicaid Under Welfare Reform*, Center on Budget and Policy Priorities, June 12, 2000, www.cbpp.org/5-30-00wel.pdf.

⁵⁷ 42 USC section 1320b-7(a).

⁵⁸ For information on state pilot programs and HCFA requirements, see www.hcfa.gov/medicaid/regions/mqchmpg.htm.

⁵⁹ Shuptrine and Hartvigsen, *ibid.*, pp. 3, 6, 7.

⁶⁰ Preamble to proposed regulations, Federal Register, November 8, 1999 (Volume 64, Number 215), p. 60937.

⁶¹ Health Care Financing Administration, Letter to State Medicaid Directors, April 7, 2000, *ibid.*

⁶² For additional information, see HCFA, Letter to State Health Officials, January 23, 1998, www.hcfa.gov/init/chourch.htm.

⁶³ We are grateful to Donna Cohen Ross of the Center of Budget Policy and Priorities for her research on the topic of school districts using Medicaid administrative federal matching funds to cover the cost of children's health insurance outreach activities conducted through the School Lunch Program. See: Donna Cohen Ross, *Fostering A Close Connection: Report to Covering Kids on Options for Conducting Child Health Insurance Outreach and Enrollment Through the National School Lunch Program*, Center on Budget and Policy Priorities, January 2000, www.cbpp.org/1-20-00health.htm.

⁶⁴ Health Care Financing Administration, Letter to State Health Officials, January 23, 1998, *ibid.*

⁶⁵ Outreach activities cannot be funded through Medicaid if the activities are related to a non-Medicaid, CHIP-only program. However, joint outreach efforts for Medicaid and CHIP may be matched through either Medicaid or CHIP.

⁶⁶ Please note that based on concerns over abuses, HCFA, the General Accounting Office (GAO) and Congress are reviewing the practices used by school districts to claim the Medicaid administrative funds. In an attempt to clarify the rules, HCFA has released a draft *Medicaid School-Based Administrative Claiming Guide*, February 2000, www.hcfa.gov/medicaid/schools/machmpg.htm.

⁶⁷ There are specific rules governing what can constitute a state's share of financial participation. For example, in-kind contributions are allowed, although contributions made by health care providers, etc. cannot be used, except in limited circumstances.

⁶⁸ Donna Cohen Ross, *Sources of Federal Funding for Children's Health Insurance Outreach*, Center on Budget and Policy Priorities, February 17, 2000, www.cbpp.org/2-17-00health.htm and Donna Cohen Ross and Jocelyn Guyer, *Congress Lifts the Sunset on the "\$500 Million Fund" Extends Opportunities for States to Ensure Parents and Children Do Not Lose Health Coverage*, Center on Budget and Policy Priorities, December 1, 1999, www.cbpp.org/12-1-99wel.htm.

⁶⁹ For additional information, see State Department of Health & Human Services, *Supporting Families in Transition: A Guide to Expanding Health Coverage in the post-Welfare Reform World*, March 22, 1999, www.acf.dhhs.gov/news/welfare/welfare.htm.

⁷⁰ For more information see www.fns.usda.gov/cnd/lunch/default.htm

⁷¹ For more information see www.fns.usda.gov/fsp/clintoninitiative/default.htm.

⁷² The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 replaced the Aid to Families with Dependent Children (AFDC) with the block grant program Temporary Assistance to Needy Families (TANF). In most cases, rules referring to AFDC were transferred to TANF. For example, WIC adjunctive eligibility now applies to TANF and not AFDC. To alleviate any confusion between programs, in this section AFDC will be referred to as TANF.

⁷³ Abt Associates, *WIC Participant and Program Characteristics, 1998*, The Office of Analysis, Nutrition and Evaluation, Food and Nutrition Services, USDA, May 2000, p. 52 and Exhibit 4-4, www.fns.usda.gov/oane/menu/published/wic/wic.htm.

⁷⁴ Genevieve M. Kenney, *ibid.*

⁷⁵ 7 CFR 246.7.

⁷⁶ This is a recent change to the WIC program. Congress only recently mandated that proof of enrollment in the adjunctive program be obtained. This change also requires WIC staff to obtain documentation of all income information provided by the client.

⁷⁷ The FDPIR provides food benefits to households on Indian reservations. Eligible households may elect to participate in either the Food Stamp Program or the FDPIR, but may not participate in both. Originally, categorical eligibility and direct certification did not apply to the FDPIR. However, an administrative ruling was later made that these provisions also applied to FDPIR participants, since the program has a similar purpose to the Food Stamp program.

⁷⁸ 7 CFR 245.6(a).

⁷⁹ The law also specifies that families providing a Food Stamp or AFDC case number are not required to fill out the line item requesting that either the social security number of the household member signing the application be provided or an indication be made that the household member does not have a social security number.

⁸⁰ Conversation with Bob Eadie, Chief of Policy and Program Development, Child Nutrition Program, USDA, May 1999.

⁸¹ 7 CFR 245.6(b).

⁸² Conversation with Bob Eadie, *ibid.*

⁸³ California Food Policy Advocates, *Direct Certification in California, State of the State*, June 1999. For information on efforts in California to increase direct certification, contact California Food Policy Advocates at 415-777-4422 or visit their website for tools and sample letters at www.cfpa.net.

MULTI-USE FREE AND REDUCED PRICE MEAL APPLICATION

Interested State agencies and school food authorities should contact their State Children’s Health Insurance Program (CHIP) coordinator to discuss use of the free and reduced price meal application to outreach to low-income children who may not have health insurance. USDA developed two prototype free and reduced price meal applications that may be used for this purpose. Although the two applications look similar, they are different in the information that may be released with parental/guardian consent. Two additional prototype forms were developed that may be distributed to households separately from the free and reduced price application. These forms are intended for schools that have already printed their free and reduced price meal application or who do not want to use a multi-use free and reduced price meal application, but want to participate in Medicaid and CHIP outreach. These may be distributed with the application package or separately anytime during the school year. Your State or local CHIP coordinator can tell you which of the prototype forms would be best for outreaching and enrolling children in CHIP. State agencies and school food authorities may also develop their own forms which may better suit State and local needs.

VERSION 1

This prototype free and reduced price meal application allows households to permit school food service personnel to give all information contained on the free and reduced price meal application to Medicaid and CHIP officials. This would include the child’s name, names of all household members, all income information or a program case number (food stamp, Temporary Assistance for Needy Families, Food Distribution Program on Indian Reservations) address, social security number of the adult household member. A photocopy of the application provided to Medicaid/CHIP officials would also be permitted under this option. If the adult’s social security number is disclosed, the privacy act statement must be changed to advise parents of this and the intended uses of the number.

VERSION 2

This prototype free and reduced price meal application allows households to permit school food service personnel to give only their name and address, and an indication that the household had applied for free and reduced price meals, to Medicaid and CHIP officials to facilitate outreach to these families.

VERSION 3

This prototype form may be distributed separately from the free and reduced price application. However, the form may be attached to the free and reduced price meal application and sent out at the same time or distributed separately from the free and reduced price application and at a different time. Version 3, like Version 1, allows households to indicate that they permit school food service personnel to give all information contained on the free and reduced price meal application to Medicaid and CHIP officials. This would include child’s name, names of all household members, all income information or a program case number (food stamp, Temporary Assistance for Needy Families, Food Distribution Program on Indian Reservations) address, social security number of the adult household member. A photocopy of the application provided to Medicaid/CHIP officials would also be permitted under this option. If the adult’s social security number is disclosed, the privacy act statement must be changed to advise parents of this and the intended uses of the number.

VERSION 4

This prototype form may be distributed separately from the free and reduced price application. However, the form may be attached to the free and reduced price meal application and sent out at the same time or distributed separately from the free and reduced price application and at a different time. Version 4, like Version 2, allows households to indicate that they permit school food service personnel to give only their name and address, and an indication that the household had applied for free and reduced price meals, to Medicaid and CHIP officials.

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FREE AND REDUCED PRICE SCHOOL MEAL APPLICATION

Complete, sign and return the application to the school. Please read the instructions. Call the school if you need help completing this form.

1 CHILD'S NAME:

_____ Grade: _____ Room: _____
 Last First M.I.

2 Is this a FOSTER CHILD? (See the instructions) If this is a foster child, check here [] and write the child's monthly income here: \$_____. Go to section #5.

3 Are you getting FOOD STAMPS, TANF or FDPIR benefits for your child? List the case number. DO NOT Complete section #4. Go to section #5.

Food stamp case number: _____ FDPIR case number: _____

TANF case number _____

4 ALL OTHER HOUSEHOLDS: (Complete this part only if you did not complete sections #2 or #3) List all household members, including the child listed above. List all income. Go to section #5.

Names	Current Monthly Income			
	Monthly Earnings from Work (Before Deductions) Job 1	Monthly Welfare, Child Support, Alimony	Monthly Payments from Pensions, Retirement, Social Security	Monthly Earnings from Job 2 or any Other Monthly Income
1. _____	\$ _____	\$ _____	\$ _____	\$ _____
2. _____	\$ _____	\$ _____	\$ _____	\$ _____
3. _____	\$ _____	\$ _____	\$ _____	\$ _____
4. _____	\$ _____	\$ _____	\$ _____	\$ _____
5. _____	\$ _____	\$ _____	\$ _____	\$ _____
6. _____	\$ _____	\$ _____	\$ _____	\$ _____
7. _____	\$ _____	\$ _____	\$ _____	\$ _____
8. _____	\$ _____	\$ _____	\$ _____	\$ _____

5 SIGNATURE: An adult household member must sign the application before it can be approved.

***PENALTIES FOR MISREPRESENTATION:** I certify that all of the above information is true and correct and that the food stamp, FDPIR, or TANF number is correct or that all income is reported. I understand that this information is being given for the receipt of Federal funds; that institution officials may verify the information on the statement and that the deliberate misrepresentation of the information may subject me to prosecution under applicable State and Federal laws.*

Signature of Adult: _____ Social Security Number: _____ - _____ - _____

Printed Name: _____ Home Phone: _____ Work Phone: _____

_____ Home Address
 Zip Code Date

Privacy Act Statement. Unless you list the child's food stamp, FDPIR, or TANF case number, Section 9 of the National School Lunch Act requires that you include the social security number of the household member signing the application or indicate that the household member does not have a social security number. You do not have to list a social security number, but if a social security number is not listed or an indication is not made that the adult household member signing the application does not have a social security number, we cannot approve the application. The social security number may be used to identify the household member in verifying the correctness of information stated on the application. This may include program reviews, audits, and investigations and may include contacting employers to determine income, contacting a food stamp, FDPIR, or TANF office to determine current certification for food stamps, FDPIR, or TANF benefits, contacting the State employment security office to determine the amount of benefits received and checking the documentation produced by the household member to prove the amount of income received. These efforts may result in a loss or reduction of benefits, administrative claims, or legal actions if incorrect information is reported.

6 OTHER BENEFITS - You do not have to complete this part to get free or reduced price school meals.

Health Insurance Yes. I want health insurance for my child. School officials may give information from my free and reduced price school meal application to Medicaid or Children’s Health Insurance Program (CHIP) officials. Medicaid and CHIP officials may use the information to help determine whether my child is eligible for either Medicaid or CHIP. Medicaid and CHIP officials may contact me for more information.

I understand that I will be releasing information that will show that I applied for free and reduced price school meals for my child. I give up my rights to confidentiality for this purpose only.

I certify that I am the parent/guardian of the child for whom application is being made.

Signature of parent/guardian _____ Date _____

7 RACIAL/ETHNIC IDENTITY: You are not required to answer this question.

White, not of Hispanic Origin **Black**, not of Hispanic Origin **Hispanic** **Asian** or **Pacific Islander**
 American Indian or **Alaska Native**

For School Use Only: Food stamp/FDPIR/TANF household categorically eligible free: Yes No

MONTHLY INCOME CONVERSION: WEEKLY X 4.33, EVERY 2 WEEKS X 2.15, TWICE A MONTH X 2

Total monthly income: _____ Household size: _____ Eligible: _____ NOT Eligible: _____

Determining official: _____ Signature: _____ Date: _____

In the operation of the child feeding programs, no child will be discriminated against because of race, sex, color, national origin, age or disability. If you believe that you or anyone has been discriminated against because of race, color, national origin, sex, age, or disability, write immediately to: Administrator, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Alexandria, VA 22302.

*Note: This application can be downloaded at: www.fns.usda.gov/fns/menu/whatsnew/chip/chip.htm.

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FREE AND REDUCED PRICE SCHOOL MEAL APPLICATION

Complete, sign and return the application to the school. Please read the instructions. Call the school if you need help completing this form.

1 CHILD'S NAME: _____ **Grade:** _____ **Room:** _____
 Last First M.I.

2 Is this a FOSTER CHILD? (See the instructions) If this is a foster child, check here [] and write the child's monthly income here: \$_____. Go to section #5.

3 Are you getting FOOD STAMPS, TANF or FDPIR benefits for your child? List the case number. DO NOT Complete Section #4. Go to section #5.

Food stamp case number: _____ FDPIR case number: _____

TANF case number: _____

4 ALL OTHER HOUSEHOLDS: (Complete this part only if you did not complete sections #2 or #3) List all household members, including the child listed above. List all income. Go to section #5.

Names	Current Monthly Income			
	Monthly Earnings from Work (Before Deductions) Job 1	Monthly Welfare, Child Support, Alimony	Monthly Payments from Pensions, Retirement, Social Security	Monthly Earnings from Job 2 or any Other Monthly Income
1. _____	\$ _____	\$ _____	\$ _____	\$ _____
2. _____	\$ _____	\$ _____	\$ _____	\$ _____
3. _____	\$ _____	\$ _____	\$ _____	\$ _____
4. _____	\$ _____	\$ _____	\$ _____	\$ _____
5. _____	\$ _____	\$ _____	\$ _____	\$ _____
6. _____	\$ _____	\$ _____	\$ _____	\$ _____
7. _____	\$ _____	\$ _____	\$ _____	\$ _____
8. _____	\$ _____	\$ _____	\$ _____	\$ _____

5 SIGNATURE: An adult household member must sign the application before it can be approved.

***PENALTIES FOR MISREPRESENTATION:** I certify that all of the above information is true and correct and that the food stamp, FDPIR, or TANF number is correct or that all income is reported. I understand that this information is being given for the receipt of Federal funds; that institution officials may verify the information on the statement and that the deliberate misrepresentation of the information may subject me to prosecution under applicable State and Federal laws.*

Signature of Adult: _____ Social Security Number: _____ - _____ - _____

Printed Name: _____ Home Phone: _____ Work Phone: _____

Zip Code _____ Date _____ Home Address _____

Privacy Act Statement. Unless you list the child's food stamp, FDPIR, or TANF case number, Section 9 of the National School Lunch Act requires that you include the social security number of the household member signing the application or indicate that the household member does not have a social security number. You do not have to list a social security number, but if a social security number is not listed or an indication is not made that the adult household member signing the application does not have a social security number, we cannot approve the application. The social security number may be used to identify the household member in verifying the correctness of information stated on the application. This may include program reviews, audits, and investigations and may include contacting employers to determine income, contacting a food stamp, FDPIR, or TANF office to determine current certification for food stamps, FDPIR, or TANF benefits, contacting the State employment security office to determine the amount of benefits received and checking the documentation produced by the household member to prove the amount of income received. These efforts may result in a loss or reduction of benefits, administrative claims, or legal actions if incorrect information is reported.

6 OTHER BENEFITS - You do not have to complete this part to get free or reduced price school meals.

Health Insurance Yes. I want health insurance for my child. School officials may give my name and address to Medicaid or the Children's Health Insurance Program officials so that they can send me information about free or low-cost health insurance for my child.

I understand that I will be releasing information that will show that I applied for free and reduced price school meals for my child. I give up my rights to confidentiality for this purpose only.

I certify that I am the parent/guardian of the child for whom application is being made.

Signature of parent/guardian _____ Date _____

7 RACIAL/ETHNIC IDENTITY: You are not required to answer this question.

White, not of Hispanic Origin Black, not of Hispanic Origin Hispanic Asian or Pacific Islander
 American Indian or Alaska Native

For School Use Only: Food stamp/FDPIR/TANF household categorically eligible free: Yes No

MONTHLY INCOME CONVERSION: WEEKLY X 4.33, EVERY 2 WEEKS X 2.15, TWICE A MONTH X 2

Total monthly income: _____ Household size: _____ Eligible: _____ NOT Eligible: _____

Determining official: _____ Signature: _____ Date: _____

In the operation of the child feeding programs, no child will be discriminated against because of race, sex, color, national origin, age or disability. If you believe that you or anyone has been discriminated against because of race, color, national origin, sex, age, or disability, write immediately to: Administrator, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Alexandria, VA 22302.

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WAIVER OF APPLICATION INFORMATION

Dear Parent/Guardian:

There is now affordable health insurance for children. This year, a new nationwide health insurance program is beginning. Now, most families who work hard to make ends meet can get low-cost or free health insurance for their children.

Children with health insurance are more likely to receive needed vaccinations and get treated for illnesses. Without treatment, these illnesses can slow a child's learning and have life long effects. If you do not have health insurance for your child, check the box below to receive information about free and low-cost health insurance for children.

Health Insurance Yes. I want health insurance for my child. School officials may give information from my free and reduced price school meal application to Medicaid or Children's Health Insurance Program (CHIP) officials. Medicaid and CHIP officials may use the information to help determine whether my child is eligible for either Medicaid or CHIP. Medicaid and CHIP officials may contact me for more information.

I understand that I will be releasing information that will show that I applied for free and reduced price school meals for my child. I give up my rights to confidentiality for this purpose only.

I certify that I am the parent/guardian of the child for whom application is being made.

Signature of parent/guardian _____

Printed name of parent/guardian: _____

Address: _____

WAIVER OF NAME AND ADDRESS

Dear Parent/Guardian:

There is now affordable health insurance for children. This year, a new nationwide health insurance program is beginning. Now, most families who work hard to make ends meet can get low-cost or free health insurance for their children.

Children with health insurance are more likely to receive needed vaccinations and get treated for illnesses. Without treatment, these illnesses can slow a child’s learning and have life long effects. If you do not have health insurance for your child, check the box below to receive information about free and low-cost health insurance for children.

Health Insurance ___ Yes. I want health insurance for my child. School officials may give my name and address to Medicaid or the Children’s Health Insurance Program officials so that they can send me information about free or low-cost health insurance for my child.

I understand that I will be releasing information that will show that I applied for free and reduced price school meals for my child. I give up my rights to confidentiality for this purpose only.

I certify that I am the parent/guardian of the child for whom application is being made.

Signature of parent/guardian _____

Printed name of parent/guardian: _____

Address: _____



APPENDIX C

WASHINGTON STATE'S FREE AND REDUCED-PRICE MEALS PILOT PROGRAM APPLICATIONS

[MULTI-USE] APPLICATION FOR FREE AND REDUCED-PRICE MEALS

(2000-2001)

To apply for free and reduced-price meals for your children, complete this application, sign your name and return the application to school. If your household receives benefits from TANF, food stamps or FDIPIR, complete only Parts 1, 4, and 5. If your household does not receive benefits from TANF, food stamps or FDIPIR, complete Parts 2a, 2b, 4, and 5. If you are applying for free and reduced-price meals for a foster child, complete parts 3, 4, and 5. For assistance please call your child's school and ask for help with the free and reduced price meals application.

PART 1 LIST CHILDREN OF TANF, FOOD STAMP, OR FDIPIR HOUSEHOLDS

Child's Name FIRST MI LAST	Food Stamp or FDPIR (x)	TANF (x)	Case Number	School	Room	Grade

PART 2a LIST CHILDREN OF ALL OTHER HOUSEHOLDS

Child's Name FIRST MI LAST	School	Room	Grade	Child's Name FIRST MI LAST	School	Room	Grade

PART 2b LIST HOUSEHOLD MEMBERS AND INCOME

Do not complete this section if you completed Part 1. List the names of **EVERYONE** living in your household, including yourself and any children listed in Part 2a. Write the amount of income (MONEY BEFORE DEDUCTIONS) each person now gets PER MONTH on the same line as his / her name and where it comes from, such as earnings, welfare, pensions, or other. If income is received other than monthly, use the income conversion chart provided below.

NAMES of Household Members FIRST MI LAST	Gross MONTHLY Earnings (before deductions)		MONTHLY Welfare Payment, Child Support, Alimony	MONTHLY Payments from Pensions, Retirement, Social Security	Any Other MONTHLY Income
	Job 1	Job 2			
1.					
2.					
3.					
4.					
5.					
6.					
7.					

MONTHLY INCOME CONVERSION: Weekly x 4.33; Every Two Weeks x 2.15; Twice a Month x 2

PART 3: LIST FOSTER CHILD: Write "0" if the child has no personal income

Child's Name	Child's Monthly Personal Use Income	School	Room	Grade

PART 4: RACIAL / ETHNIC: You are not required to answer this question

WHITE, Not of Hispanic Origin BLACK, Not of Hispanic Origin HISPANIC AMERICAN INDIAN OR ALASKA NATIVE ASIAN OR PACIFIC ISLANDER

PART 5: SIGNATURE, SOCIAL SECURITY NUMBER, AND ADDRESS

An adult household member must sign the application before it can be approved. If you do not have a social security number write "none." If you listed a food stamp, TANF, or FDIPIR number for your child, or are applying for a foster child, a social security number is not needed.

I certify that all of the above information is true and correct and that all income is reported. I understand that this information is being given for the receipt of federal funds; that school officials may verify the information on the application; and that deliberate misrepresentation of the information may subject me to prosecution under applicable state and federal laws.

PRINTED NAME of Adult Household Member	Street Address	Home Telephone Number ()
Social Security Number	City and Zip Code	Work Telephone Number ()
Please sign here: X _____ Date _____ Signature of Adult Household Member		

OTHER BENEFITS – Your family may be eligible for additional benefits. You do not have to complete this part to receive free and reduced price meals.

CHECK AND SIGN BELOW if you want information about these benefits.

Medical Coverage for Children: Yes, I am interested in free or low cost health coverage for my children through *Healthy Kids Now!* My school can send the second copy of this form to state Medicaid outreach staff so they can contact me about health care. *Healthy Kids Now!* gives health coverage through Medicaid or the new Children's Health Insurance Program. *Don't check this box if you already receive Medicaid and get a monthly green and white medical card (coupon).*

Other Free or Reduced-Price Benefits: Yes, school officials may use the information provided on this application to determine my children's eligibility for reduced traffic safety education fees, "choice" low-income transportation reimbursement or other state or federally funded school related benefits.

The information on this form may be used to assist in the determination of eligibility only for the programs that I have checked above. I understand that I will be releasing information that shows that I am applying for free and reduced-price benefits under Child Nutrition Programs. School officials may verify all the information on this form. I give up my rights to confidentiality for these purposes only. I certify that I am the parent / guardian of the children for whom application is being made.

Please sign here: X _____ Date _____
Signature of Parent / Guardian

Note: Original application is legal size, printed on a duplicating copy and includes a Non-Discrimination & Privacy Act Statement on the reverse side.

Note: This is a copy of the original application.

[ADDRESS]

HEALTH COVERAGE FOR YOUR CHILDREN AT NO COST TO YOU!!

Thank you for letting your children’s school share your free and reduced-price meal application with us. We’re glad you are interested in getting health care for your child. We’ve reviewed the application. Based on the information you provided, it looks like your children can get health care without cost to you! We just need to ask a few more questions to be sure.

1. General Information

First	List Children		Relation to You	Birthdate (mo/day/yr)	Applying for Benefits?		U.S. Citizen**		Social Security Number	Sex M or F
	Middle	Last			Yes	No	Yes	No		
					0	0	0	0		
					0	0	0	0		
					0	0	0	0		
					0	0	0	0		
					0	0	0	0		
					0	0	0	0		

****If not a U.S. citizen, complete Immigration Status on the last page**

Medical Assistance Administration/MEDS

1-800-204-6429

TTY 1-800-668-013

Mailstop 45531

2. Do you have trouble speaking, reading or writing English? Yes 0 No 0

3. Do you need an interpreter? Yes 0 No 0

4. What language do you speak? _____

5. Check the following boxes that apply to children in your household:

Pregnant: Yes 0 No 0

Child has a medical condition that needs attention right away. Yes 0 No 0

6. Expenses

Do you pay someone to take care of your children while you work?	Yes	No	If yes, how much per month?
	0	0	\$ _____
Do you pay child support for a child who is not in your home?	Yes	No	If yes, how much per month?
	0	0	\$ _____

7. Medical Information

Do your children already have health insurance? Yes 0 No 0			
If you checked yes, list the name of the insurance company or employer, the policy number and policy holder's name and Social Security number. Even if you already have health insurance, you can still qualify for Children's Medical.			
Insurance Company or Employer	Policy Number	Policy Holder's Name	Policy Holder's Social Security Number
Did any of your children living with your receive medical services in the past 3 months? Yes 0 No 0			

READ CAREFULLY BEFORE SIGNING

I understand:

- My situation is subject to verification by DSHS or other state or federal agency.
- By asking for and receiving medical care benefits, I assign to the state of Washington all rights to any medical support, and to any third party payments for medical care.
- DSHS may share my children’s immunization history with the Department of Health’s Child Profile Immunization Tracking System.

I have read and understood the information in this application. I declare, under penalty of perjury, the information I have given is true, correct, and complete to the best of my knowledge.

Signature of Applicant	Date:

Discrimination is prohibited in all programs and activities administered by DSHS. No one shall be excluded from these programs and activities on the basis of race, color, creed, political beliefs, national origin, religion, age, sex or disability.

IMMIGRATION STATUS IF CHILD IS NOT U.S. CITIZEN

Please complete this section for any child listed on page 1 who is not a United States citizen. If your children have legal immigration status, attach copies of both sides of the document. You do not have to provide proof of immigration status for family members not applying for benefits.

List Children	Is child a U.S. citizen?		If not a U.S. citizen, was child issued a document showing status?		If yes, list date child arrived in the U.S.
	Yes	No	Yes	No	
	0	0	0	0	
	0	0	0	0	
	0	0	0	0	
	0	0	0	0	
	0	0	0	0	
	0	0	0	0	

IMPORTANT NOTE:

Receiving medical benefits will not affect current or future immigration status of the parent or children receiving medical benefits.

APPENDIX D

APPENDIX D: STATE INCOME ELIGIBILITY GUIDELINES FOR CHILDREN'S MEDICAID AND SEPARATE CHILD HEALTH INSURANCE PROGRAMS

Prepared by the Center on Budget and Policy Priorities, July 1, 2000

(Percent of Federal Poverty Level; FPL)

STATE	Medicaid Infants (0-1) ¹	Medicaid Children (1-5) ¹	Medicaid Children (6-16) ²	Medicaid Children (17-19) ²⁷	Separate State Program ³
Alabama	133	133	100	100	200
Alaska	200	200	200	200	
Arizona	140	133	100	29	200
Arkansas ^{4/5/6}	200	200	200	200	
California	200	133	100	100	250
Colorado ⁶	133	133	100	36	185
Connecticut	185	185	185	185	300
Delaware	185	133	100	100	200
D.C.	200	200	200	200	
Florida ⁸	200	133	100	100	200
Georgia	185	133	100	100	235
Hawaii	200	200	200	200	
Idaho	150	150	150	150	
Illinois ¹⁰	200	133	133	133	185
Indiana	150	150	150	150	200
Iowa ⁶	200	133	133	133	200
Kansas	150	133	100	100	200
Kentucky	185	150	150	150	200
Louisiana	150	150	150	150	
Maine	200	150	150	150	200
Maryland	200	200	200	200	
Massachusetts ⁹	200	150	150	150	400
Michigan	185	150	150	150	200
Minnesota ⁵	280	275	275	275	
Mississippi	185	133	100	100	200
Missouri ⁵	300	300	300	300	
Montana ⁶	133	133	100	40	150
Nebraska	185	185	185	185	
Nevada ⁶	133	133	100	70	200
New Hampshire	300	185	185	185	300

New Jersey	185	133	133	133	350
New Mexico	235	235	235	235	
New York	185	133	100	100	250
North Carolina	185	133	100	100	200
North Dakota ⁶	133	133	100	100	140
Ohio	200	200	200	200	
Oklahoma	185	185	185	185	
Oregon ⁶	133	133	100	100	170
Pennsylvania	185	133	100	36	235
Rhode Island ⁵	250	250	250	250	
South Carolina	185	150	150	150	
South Dakota	140	140	140	140	
Tennessee ⁵	400	400	400	400	
Texas ⁶	185	133	100	100	200
Utah ⁶	133	133	100	100	200
Vermont ⁵	300	300	300	300	
Virginia	133	133	100	100	185
Washington	200	200	200	200	250
West Virginia	150	150	100	100	150
Wisconsin ⁵	185	185	185	185	
Wyoming ⁶	133	133	100	50	133

1. To be eligible in the infant category, a child is under age 1 and has not yet reached his or her first birthday. To be eligible in the 1-5 category, the child is age 1 or older, but has not yet reached his or her sixth birthday. Minnesota covers children under age 2 in the infant category.

2. As required by federal law, states provide Medicaid to children age six or older who were born after September 30, 1983 and who have family incomes below 100 percent of the FPL. By October 1, 2002 all poor children under age 19 will be covered. If the state covers children in this age group who have family incomes higher than 100 percent of the FPL, or the state covers children born before September 30, 1983, thereby accelerating the phase-in period, it is noted in this column. States that have taken such steps have done so either through Medicaid waivers or the 1902(r)(2) provision of the Social Security Act.

3. The states listed use federal child health block grant funds to operate separate child health insurance programs for children not eligible for Medicaid. Such programs may provide benefits similar to Medicaid or they may provide a limited benefit package. They may also impose premiums or other cost-sharing obligations on some or all families with eligible children.

4. Children covered under Medicaid expansion programs in Arkansas receive a reduced benefits package pursuant to federal waivers.

5. The Medicaid programs in AR, MN, MO, RI, TN, VT and WI may impose some cost sharing — premiums and/or co-payments for some children pursuant to federal waivers.

6. The states noted count assets in addition to income in determining Medicaid eligibility for children; Utah does not consider assets for young children. An assets test is not imposed on children covered under the Medicaid expansion program in Arkansas. Oregon counts assets in addition to income in determining eligibility for Medicaid and their separate child health insurance programs.

7. To be eligible in this category, a child was born before September 30, 1983 and has not yet reached his or her 19th birthday. States are required to provide Medicaid coverage to these children if their families would have qualified for AFDC under rules in effect in their state in July 1996. These standards typically require families to meet three income tests. First, they must have net income below the state's "standard of need," a measure of the amount of income determined by the state to be essential for a minimum standard of living. Second, they must have net income below the state's "payment standard," the maximum amount of assistance the state would grant a family with no income. In most states, the payment standard falls below the need standard. Finally, the family must pass a gross income test which requires that gross income (net of up to \$50 in child support payments, EITC payments, and optional exclusions of a dependent child's income) fall below 185 percent of the state's standard of need.

8. Florida operates two separate CHIP-funded state programs. Healthy Kids is available in most counties and covers children age 5 through 19, as well as younger siblings of enrolled children in some areas. Medi-Kids covers children age 0 through 4 and is available statewide.

9. Children between ages 1 and 19 in families with income between 150 and 200 percent of the FPL will receive either slightly reduced MassHealth benefits or assistance paying premiums for employer-based plans.

10. Illinois covers infants in families with income at or below 200 percent of the FPL who are born to mothers enrolled in Medicaid. Illinois covers other infants in families with income at or below 133 percent of the FPL.

Researched and prepared by the Center on Budget and Policy Priorities, July 1, 2000.

	Medicaid for Children¹	Food Stamp Program
Income/ Eligibility Standards	<p>Medical Assistance Units (MAU) with net incomes up to 200% of the Federal Poverty Level (FPL) are eligible.</p> <p>Recipients must cooperate with the state in pursuing third party liability unless good cause prohibits pursuit.</p>	<p>Households up to 130% of the FPL gross income and 100% of the FPL net income are eligible. Households with an elderly person or person with certain disability payments must only meet the net income test.</p> <p>SSI and Temporary Assistance to Needy Families (TANF) recipients are automatically eligible, regardless of resources, as well as those receiving state family assistance and certain state general assistance.</p>
Income Deductions, Disregards & Exclusions	<p>Deductions are allowed as follows:</p> <ul style="list-style-type: none"> • \$90 per month for each working household member • monthly work-related child care expenses • monthly court-ordered child support payments <p>Excluded from income: public cash assistance, the Earned Income Tax Credit (EITC), Food Stamps, energy assistance payments, some educational loans, Supplemental Security Income (SSI), the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) and some other federal benefits.</p>	<p>Deductions are as follows:</p> <ul style="list-style-type: none"> • 20% standard deduction from earned income • \$134 standard deduction for all households • dependent care when needed for work, training, education: up to \$200 for each child under 2 and \$175 for each other child or disabled adult, per month • medical expenses for elderly and disabled above \$35 per month, if not covered by insurance or other sources • legally owed child support payments • excess shelter costs (more than half of household income after other deductions, up to \$275 in households with no elderly or disabled members), including fuel, electricity, water, one telephone, rent or mortgage and property taxes
Allowable Resources/ Assets	<p>No assets test is required.</p>	<p>Allows up to \$2,000 in countable resources (bank account, cash, stocks/bonds, some cars and trucks), or up to \$3,000 if one household member is age 60+.</p> <p>Not counted as resources: a home and lot, one vehicle valued up to \$4,650, and licensed vehicles used for the following purposes: a home, long distance travel for work (other than daily commute), transporting physically disabled household member, carrying household's fuel or water, or over 50% used for income producing purposes.</p>

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	Medicaid for Children¹	Food Stamp Program
Unit for Determining Income Eligibility	MAUs are defined as married persons living together, or parents and unmarried minor children. Separate MAUs are established for other groupings such as a child of unmarried parents when both parents live with the child, children with income, etc.	Households are defined as persons living together and purchasing and preparing food together.
Eligible Ages	0 through 19 (and up to 21 for some cases)	Eligibility is determined by household, with all ages being eligible.
Documentation Requirements	Declaration of: <ul style="list-style-type: none"> • age, identity, and residency • income and deductions social security number (for applicant or beneficiary) Proof of: <ul style="list-style-type: none"> • pregnancy • immigration status 	Interview is required and proof of: <ul style="list-style-type: none"> • immigration status of all household members • social security numbers of all household members • information on resources, income, and deductions • residency and identity • disability
Verification Rules (re. Income and Resources)	Utilize Income and Eligibility Verification System (IEVS) and Statewide Alien Verification Eligibility (SAVE) to perform post-eligibility review.	Utilize IEVS and SAVE.
Citizenship Limitations	Federal law allows only citizens and qualified aliens who entered the US before August 22, 1996 to be eligible for Medicaid, with some exceptions. Qualified aliens entering after that date become eligible after five years. State funds provide Medicaid eligibility to legal immigrant children no matter when they entered the US.	Federal law provides food stamp benefits for citizens, nationals, and specified qualified and non-qualified aliens. Washington uses state funds to provide benefits to legal immigrants who do not qualify for federal Food Stamp benefits.
Redetermination Periods	Annually, beginning on the first day of the month that the client becomes eligible.	Up to 12 months for elderly and/or disabled households with no earned income. Up to 3 months if the household is homeless, has migrants, non-exempt able-bodied Adult(s) without Dependents, where expenses exceed income or are in a non-ADATSA drug and alcohol treatment center.

¹ Since February 2000, Washington has operated a Children's Health Insurance Program (CHIP) serving children between 200% and 250% of the FPL that treats income the same as under Medicaid.

APPENDIX F: WASHINGTON STATE'S MEDICAID & FOOD STAMP PROGRAM ELIGIBILITY GUIDELINES (SEPTEMBER 2000)

Income/ Eligibility Standards

Medi-Cal for Children

Households with the following incomes, by age, are eligible:

- infants at or below 200% of the Federal Poverty Level (FPL)
- 1 through 5 at or below 133% of the FPL
- 6 through 19 at or below 100% of the FPL

Recipients must cooperate with the state in pursuing third party liability unless good cause prohibits pursuit.

Healthy Families

Households with the following incomes, by age, are eligible:

- infants, 201% to 250% of the FPL
- 1 through 5, 134% to 250% of the FPL
- 6 through 18, 101% to 250% of the FPL

Child cannot be Medi-Cal eligible nor have had employer coverage in the last 90 days (with some exceptions).

Food Stamp Program

Households up to 130% of the FPL gross income and 100% of the FPL net income are eligible. Households with an elderly person or person with certain disability payments must only meet the net income test.

CalWORKS recipients are automatically eligible, regardless of resources. SSI recipients in California are not eligible because the state includes extra money in the amount it adds to the federal SSI payment instead of issuing food stamps.

With some exceptions, able-bodied adults between 16 and 60 must register for work, take part in an employment and training program and accept or continue suitable employment.

Income Deductions, Disregards & Exclusions

Deductions are allowed as follows:

- \$90 per month for each working household member
- monthly child care expenses (max. of \$200/month for children under 2; \$175/month for ages 2 and older)
- monthly court-ordered alimony payments
- monthly court-ordered child support payments
- \$50 per month for receipt of alimony and/or child support

Excluded from income: Supplemental Security Income/State Supplemental Payment (SSI/SSP), CalWORKS (CA's Temporary Assistance to Needy Families program), General Relief (CA's General Assistance program), grants or scholarships for college, earnings of a child under age 14 or in school and some government benefits payments.

Deductions are allowed as follows:

- \$90 per month for each working household member
- monthly child care expenses (max. of \$200/mo. for children under 2; \$175/mo for ages 2 and older)
- monthly court-ordered alimony payments
- monthly court-ordered child support payments
- \$50 per month for receipt of alimony and/or child support.

Excluded from income: SSI/SSP, CalWORKS, general relief, grants or scholarships for college, earnings of a child under age 14 or in school and some government benefits payments.

Deductions are as follows:

- 20% standard deduction from earned income
- \$134 standard deduction for all households
- dependent care when needed for work, training, education: up to \$200 for each child under 2 and \$175 for each other child or disabled adult, per month
- medical expenses for elderly and disabled above \$35 per month, if not covered by insurance or other sources
- legally owed child support payments
- excess shelter costs (more than 1/2 of household income after other deductions, up to \$275 in households with no elderly or disabled members), including fuel, electricity, water, one telephone, rent or mortgage and property taxes

Allowable Resources/ Assets

No assets test is required.

No assets test is required.

Allows up to \$2,000 in countable resources (bank account, cash, stocks/bonds, some cars and trucks), or up to \$3,000 if one household member is age 60+.

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	Medi-Cal for Children.	Healthy Families	Food Stamp Program
Allowable Resources/ Assets (cont.)			Not counted as resources: a home and lot, one vehicle valued up to \$4,650, and licensed vehicles used for the following purposes: a home, long distance travel for work (other than daily commute), transporting a physically disabled household member, carrying household's fuel or water, or over 50% used for income producing purposes.
Unit for Determining Income Eligibility	The Medi-Cal household budget unit is defined as related persons living in the same home who have financial responsibility for health care for the applicant (spouse for spouse, parent for child). (Note: Medi-Cal starts with gross income; after applying certain income disregards, Medi-Cal ends up with "countable" income. Countable income is used to determine eligibility.)	The household budget unit is defined as related persons living in the same home who have some financial responsibility for health care for the applicant. Some exceptions are set out in law, including such situations as when responsible adults live separately, etc.	Households are defined as persons living together and purchasing and preparing food together.
Eligible Ages	0 through 20 for Medically Needy and Medically Indigent Programs.	0 through 18	Eligibility is determined by household, with all ages being eligible.
Documentation Requirements	Social security number of applicant and proof of: <ul style="list-style-type: none"> • identity and CA residency • income and deductions • pregnancy • immigration status 	Birth certificate and proof of: <ul style="list-style-type: none"> • income and deductions • immigration status 	Interview is required and proof of: <ul style="list-style-type: none"> • immigration status of all household members • social security numbers of all household members • information on resources, income, and deductions • residency and identity • disability
Verification Rules (re. Income and Resources)	Utilize Income and Eligibility Verification System (IEVS) and Statewide Alien Verification Eligibility (SAVE) to perform post-eligibility review.	Utilize IEVS and SAVE to perform post-eligibility review.	Utilize IEVS and SAVE.
Citizenship Limitations	Federal law allows only citizens and qualified aliens who entered the US before August 22, 1996 to be eligible for Medicaid, with some exemptions. Qualified aliens entering after that date become eligible after five years. State funds provide Medi-Cal eligibility to legal immigrant children no matter when they entered the US.	Federal law allows only citizens and qualified aliens who entered the US before August 22, 1996 to be eligible for Healthy Families, with some exemptions. Qualified aliens entering after that date become eligible after five years. State funds currently provide Healthy Families eligibility to legal immigrant children no matter when they entered the US.	Federal law provides food stamp benefits for citizens, nationals, and specified qualified and non-qualified aliens. California uses state funds to provide benefits to legal immigrants who do not qualify for federal Food Stamp benefits.
Redetermination Periods	Every 12 months. Recipients required to report any change in circumstances that might affect eligibility.	Every 12 months.	Generally every 12 months for non-elderly households.

<p>Food Stamp Program</p>	<p>The following is a review of confidentiality provisions for a sampling of federal public programs.</p> <hr/> <p>Use or disclosure of information obtained from Food Stamp applicants or recipient households is allowed for persons directly connected with other federal assistance programs and federally-assisted state programs providing assistance on a means-tested basis to low income individuals, as well as with programs required to participate in the state income and eligibility verification system (IEVS) to the extent that Food Stamp information is useful in establishing or verifying eligibility under those programs.</p> <p><i>Source: 7 CFR section 272.1(c); 7 USC section 2020(e)(8).</i></p>
<p>Head Start</p>	<p>Head Start does not have national guidelines regarding confidentiality, except to require each program to develop its own set of confidentiality guidelines. So, variation in confidentiality guidelines is immense and is dictated at the program level.</p> <p><i>Source: Rita Schwartz, DHHS, National Head Start Bureau, 202-205-8572.</i></p>
<p>National School Lunch Program (NSLP)</p>	<p>Disclosure of names and eligibility information is permitted, at the option of each school district, to persons directly connected with the administration of state Medicaid or Children’s Health Insurance Program (CHIP) programs for purposes of eligibility determination and enrollment. School food authorities are required to inform families that school lunch information will be shared for this limited purpose, as well as to provide families with the opportunity to elect not to have the information disclosed. To take advantage of the new option, states must have a written agreement in place between school food authorities and state or local child health agencies to assure that shared information actually facilitates enrollment.</p> <p><i>Source: Agricultural Risk Protection Act of 2000 (H.R. 2559), enacted June 20, 2000. See also, National School Lunch Act, Chapter 281, Sec. 9(b)(2)(c)(iii)-(iv); 7 CFR section 245.8(a), (b); 42 USC section 1758(b)(4).</i></p>
<p>Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)</p>	<p>Use or disclosure of information obtained from applicants and participants is allowed to “[r]epresentatives of public organizations designated by the chief State health officer . . . which administer health or welfare programs that serve persons categorically eligible for the WIC program.” Information can be disclosed only after a written agreement is executed with the designated organization, specifying that the information will be used only to establish eligibility for the health or welfare program that the organization administers and to conduct outreach for the program, and that information will not be disclosed to a third party.</p> <p><i>Source: 7 CFR section 246.26(d); 42 USC section 1786.</i></p>
<p>Temporary Assistance to Needy Families (TANF)</p>	<p>TANF regulations do not contain any confidentiality provisions. Under section 402(a)(1)(A)(iv) of the Social Security Act, the State’s TANF plan must address the reasonable steps the state will take to restrict disclosure about individuals and families receiving TANF-funded assistance. Thus, TANF gives states discretion in deciding what disclosure is appropriate.</p> <p>The regulations in effect under the prior Aid to Families with Dependent Children (AFDC) program specifically allowed sharing of AFDC information with Medicaid for Medicaid eligibility determination purposes. TANF statute allows states flexibility to disclose TANF information on a similar basis.</p> <p><i>Source: Ann Burek, DHHS, Office of Family Assistance, 202-401-4528. See also 45 CFR 205.50 for prior AFDC rules.</i></p>

The following is designed to provide a comparison of the eligibility guidelines for a sampling of federal public programs. Medicaid guidelines are presented with reference to the most expansive policy allowable under federal law.

	Medicaid (for children)	Children's Health Insurance Program (CHIP)	Food Stamp Program	Head Start	National School Lunch Program (NSLP)	Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	Temporary Assistance to Needy Families (TANF)
Income/Eligibility Standards	Effectively, no upper limit is imposed for coverage of children through age 18 if a state elects to use more liberal income disregards.	Effectively, no upper limit is imposed when a state elects to use more liberal income disregards.	Must meet monthly gross income test (130% of the Federal Poverty Level; FPL) and monthly net income test (100% of the FPL), i.e., gross income minus allowable deductions.	Up to 100% of the FPL (for at least 90% of enrollees).	Free Meals: Gross income up to 130% of the FPL. Reduced-Price Meals: Gross income between 130% and 185% of the FPL.	Must meet guidelines set by the NSLP for reduced-price school meals (i.e., up to 185% of the FPL).	At state discretion.
Income Deductions, Disregards, & Exclusions	Depends on eligibility category. States may utilize section 1931 and section 1902(r)(2) to establish less restrictive methodologies than those of the former Aid to Families with Dependent Children (AFDC) program.	At state discretion except for income provided under certain federal statutes, which must be excluded under the terms of the statutes.	<ul style="list-style-type: none"> • \$134 standard deduction for all households; • 20% earned income deduction; • dependent care costs when necessary for work, training, education, to maximum allowed; • legally owed child support payments; • medical costs for elderly and disabled; 	Not applicable.	Exclusions: student financial aid, loans, in-kind compensation, irregular earnings, cash value of certain federal benefits such as from the Job Training Partnership Act (JTPA), Food Stamps, Child Care Development Block Grant (CDBG), and others; other income excluded by legislation.	Exclusions: numerous — e.g., in-kind housing benefits, student financial aid, energy assistance, Food Stamps, NSLP, CDBG, JTPA, and some smaller programs.	At state discretion.

	Medicaid (for children)	Children's Health Insurance Program (CHIP)	Food Stamp Program	Head Start	National School Lunch Program (NSLP)	Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	Temporary Assistance to Needy Families (TANF)
Income Deductions, Disregards, & Exclusions (cont.)			<ul style="list-style-type: none"> • excess shelter costs; • most educational assistance; • many other specific disregards. 				
Allowable Resources/ Assets	Depends on eligibility category. States have the option to eliminate the assets test for low-income children.	At state discretion.	<ul style="list-style-type: none"> • \$2,000 (or \$3,000 if household has an elderly member); • one vehicle valued up to \$4,650 (with exceptions) and licensed vehicles used for specified purposes; • home and lot; • resources are not counted if the household receives SSI and/or Temporary Assistance to Needy Families (TANF). 	Not applicable.	Not applicable.	Not applicable.	At state discretion.
Unit for Determining Income Eligibility	Family: Children and specified relatives per former AFDC program.	Family: At state discretion.	Household: Persons living together and purchasing and preparing meals together.	Family: All persons living in the same household who are:	Households: Related and unrelated individuals living as one economic unit.	Family: Group of related and non-related persons living together as one economic unit.	Family: Definition is at state discretion, except that it must, at a minimum, have a

	Medicaid (for children)	Children's Health Insurance Program (CHIP)	Food Stamp Program	Head Start	National School Lunch Program (NSLP)	Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	Temporary Assistance to Needy Families (TANF)
Unit for Determining Income Eligibility (cont.)	Income and assets are counted for related persons living in the same home who have financial responsibility for health care for the applicant (spouse for spouse, parent for child.)			1) supported by the income of the parent(s) or guardian(s) of the child enrolling or participating in the program; and 2) related to the parent(s) or guardian(s) by blood, marriage, or adoption.			minor child residing with parent or other caretaker relative or a pregnant individual.
Eligible Ages	Under 21 years of age.	Under 19 years of age.	All ages.	Ages 3 to 5 and some infants or toddlers with disabilities.	Students in high school grade or under; residents of residential child care facility up to age 21.	Pregnant, postpartum, and breastfeeding women; infants and children to age 5.	Under age 18 or under age 19 when full-time student in secondary school or equivalent vocational training.
Documentation Requirements	At state discretion except for immigration status of non-citizens and social security number. Requires use of certain automated systems to check income. On all other matters, self-verification is allowed.	At state discretion except for verification of immigration status.	<ul style="list-style-type: none"> • proof of income, resources, and deductions; • social security numbers for all household members; • proof of residency; • proof of identity; • proof of disability; • proof of immigration status for all household members; 	Proof of income and age.	No verification is required at time of application. However, a sample population of enrollees are approached by December 15 of each year and asked for verification.	<ul style="list-style-type: none"> • proof of residency; • proof of income for all members of family/economic unit (or, documentation of current eligibility in one of the three allowable adjunct programs or other allowable means-tested programs); 	At state discretion.

	Medicaid (for children)	Children's Health Insurance Program (CHIP)	Food Stamp Program	Head Start	National School Lunch Program (NSLP)	Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	Temporary Assistance to Needy Families (TANF)
Documentation Requirements (cont.)			<ul style="list-style-type: none"> • verification of questionable information; • interview is required. 			<ul style="list-style-type: none"> • proof of identity; • self-declaration of income is not allowed as of October 1, 1998, except for homeless, migrant workers, and cash employees. 	
Verification Rules (re. Income and Resources)	States must have an Income and Eligibility Verification System (IEVS) in place to perform post-eligibility verification.	At state discretion.	Optional for states to use IEVS for verification.	Not applicable.	At state discretion.	At state discretion.	States must verify information provided by the applicant through the IEVS system.
Citizenship Limitations	States must cover citizens and certain mandatory qualified aliens. At state discretion whether to cover non-mandatory qualified aliens who entered the US before 8/22/96. Non-mandatory qualified aliens entering after that date can be eligible after five years of continuous residence, but only at state discretion.	States must cover citizens and qualified aliens, including legal immigrants who entered the US before August 22, 1996, and those arriving on or after that date who have been in continuous residence for five years.	States must cover citizens, non-citizen nationals, certain qualified aliens and specified non-qualified aliens. Eligibility for many categories of qualified alien has a 7-year time limit. Immigrants lawfully admitted for permanent residence can gain eligibility with 40 qualifying quarters of work.	Not applicable.	Not applicable.	The state agency has the option to prohibit WIC services for persons other than citizens or qualified aliens.	States must cover citizens and certain mandatory qualified aliens. At state discretion whether to cover non-mandatory qualified aliens who entered the US before 8/22/96. Non-mandatory qualified aliens entering after that date can be eligible after five years of continuous residence, but only at state discretion.

	Medicaid (for children)	Children's Health Insurance Program (CHIP)	Food Stamp Program	Head Start	National School Lunch Program (NSLP)	Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	Temporary Assistance to Needy Families (TANF)
Citizenship Limitations (cont.)	Emergency-related services must be available to all persons.						
Redetermination Periods	Whenever recipient's circumstances change, unless a state chooses to provide one year of continuous eligibility. At least every 12 months.	At state discretion, but at least once every 12 months.	May be up to 12 months or up to 24 months if all adults are elderly or disabled.	<ul style="list-style-type: none"> • every 2 years for pre-school; • every 3 years for early Head Start. 	Annually, at the beginning of the school year.	Approximately every 6 months. However, states may permit localities to shorten or lengthen the period in some circumstances.	<ul style="list-style-type: none"> • At state discretion. Recipients must work after 2 years of TANF, with few exceptions. • Five year cumulative limit for TANF assistance (for 80% of caseload).
Adjunct, Categorical or Automatic Eligibility	Those receiving Supplemental Security Income (SSI), in most states, and recipients of adoption assistance and foster care under Title IV-E of the Social Security Act are automatically eligible.	Not Applicable.	Those receiving SSI (except in California) or TANF, as well as General Assistance (GA) in some cases, are automatically income eligible.	<ul style="list-style-type: none"> • foster children; • participants in certain aspects of the TANF program (e.g., childcare, etc.). 	<ul style="list-style-type: none"> • Those who are receiving Food Stamps, Food Distribution Program on Indian Reservations (FDPIR) or TANF, in most states, or are enrolled in Head Start are automatically/categorically eligible for free meals. • Direct certification is allowed for Food Stamps, FDPIR, and TANF. 	Those individuals who are certified eligible for TANF, Food Stamps, Medicaid or other select means-tested programs are adjunctively or automatically income eligible. They must also be determined to be nutritionally at-risk and meet residency requirements to be enrolled.	Not applicable.

The following language was introduced in the California Legislature by The 100% Campaign (a collaborative of Children Now, Children’s Defense Fund and The Children’s Partnership). Its purpose was to implement Express Lane Eligibility utilizing the National School Lunch Program, Food Stamps and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). It is offered as sample legislation for a state wishing to develop an Express Lane Eligibility model. For information on progress on Express Lane Eligibility in California, see www.100percentcampaign.org/express.html.

SENATE BILL NO. 1821

Introduced by Senators Sher, Bowen, Escutia, Figueroa, Murray, Soto, and Speier (Coauthor: Assembly Members Alquist, Aroner, Cardenas, Davis, Keeley, Knox, Kuehl, Longville, Mazzoni, Romero, Strom-Martin, and Villaraigosa)

February 24, 2000

An act to add Section 10618.5 to the Welfare and Institutions Code, relating to health.

The people of the State of California do enact as follows:

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) Approximately 1.48 million of California’s over 2 million uninsured children are eligible for either the Medi-Cal program or the Healthy Families Program.

(2) Lack of insurance coverage for children results in reduced access to medical services, resulting in restricted access to primary and preventive care and increased reliance on emergency rooms and hospitals for treatment.

(3) Almost 50 percent of uninsured children who are eligible for the Medi-Cal program or the Healthy Families Program are already enrolled in the California Special Supplemental Food Program for Women, Infants, and Children, the federal school lunch programs, or the Food Stamp Program. Not only have these families been certified as income-eligible for these programs, they have provided extensive information to enroll in the programs.

(b) It is the intent of the Legislature, therefore, to make the Medi-Cal program and Healthy Families Program enrollment process more user-friendly and efficient for children currently enrolled in programs with income eligibility guidelines similar to the Medi-Cal program and the Healthy Families Program, and thus make the process more accessible for those in need of care.


SEC. 2. Section 10618.5 is added to the Welfare and Institutions Code, to read:

10618.5. (a) Any child who is enrolled in any of the following programs shall be deemed to have met income eligibility requirements for participation in the Healthy Families Program and the Medi-Cal program:

(1) The Food Stamp Program, provided for pursuant to Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of the Welfare and Institutions Code.

(2) The California Special Supplemental Food Program for Women, Infants, and Children, provided for pursuant to Article 2 (commencing with Section 123275) of Chapter 1 of Part 2 of Division 106 of the Health and Safety Code.

(3) The federal school lunch programs, provided for pursuant to Chapter 13 (commencing with Section 1751) of Title 42 of the United States Code.



(b) Agencies administering programs specified in subdivision (a), the State Department of Health Services, and the Managed Risk Medical Insurance Board shall implement streamlined processes for establishing eligibility of a child enrolled in or applying for participation in programs specified in subdivision (a) for the Medi-Cal program or the Healthy Families Program, and shall not require an applicant on behalf of the child to provide any unnecessary or duplicative information. The State Department of Health Services shall be the lead agency in charge of this effort.

(c) Agencies administering the programs specified in subdivision (a) shall fully cooperate in distributing information and providing enrollment information to the State Department of Health Services and the Managed Risk Medical Insurance Board or their designees to the maximum extent permitted by federal and state law. The information shall be used by the State Department of Health Services and the Managed Risk Medical Insurance Board or their designees for the sole purpose of determining a child's eligibility for benefits under the Medi-Cal program or the Healthy Families Program.

(d) With the exception of documentation of immigration status of noncitizen children, an applicant on behalf of a child specified in subdivision (a) shall not be required to provide any documentation.

(e) Agencies administering the programs specified in subdivision (a), the State Department of Health Services, and the Managed Risk Medical Insurance Board shall implement subdivisions (a), (b), and (c) by July 1, 2001.

(f) The State Department of Health Services shall assess what other public programs may be implemented in the manner specified in subdivisions (a), (b), and (c), shall develop a plan for that implementation, and shall submit the plan to the appropriate committees of the Legislature by March 1, 2002.



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