



Extend Presumptive Eligibility to Qualified Entities to Provide Early Treatment for Florida’s Low-Income Children

SB 548 by Sen. Detert | HB 689 by Rep. Harrell

Presumptive eligibility allows qualified entities to make on-the-spot, temporary eligibility decisions so eligible children, like pregnant women, get immediate access to medical services. Otherwise, without insurance to cover the cost of services, families may delay care for conditions that, if left untreated, could result in more extensive and expensive services. Presumptive eligibility in Medicaid was first established as a state option to accelerate access to ambulatory prenatal care services for pregnant women. Congress extended the option to children in Medicaid when CHIP was enacted in 1997. In 2014, The Affordable Care Act (ACA) will give hospitals that provide Medicaid services the prerogative to make presumptive eligibility decisions regardless of whether the state otherwise has elected to permit other qualified entities to do so as well.ⁱ

Although allowing hospitals to determine presumptive eligibility will expand access to health care for our neediest children, improve health outcomes, and reduce the amount the state pays hospitals for uncompensated care, it is vital that Federally Qualified Health Centers (FQHCs) also be given this life-saving and potentially cost-saving capacity as well. FQHCs often serve high-demand, hard-to-reach populations. The Affordable Care Act envisions FQHCs to function as “medical homes” for many Medicaid recipients, which will improve efficiency and health outcomes by providing a wide variety of services under one roof. Extending presumptive eligibility to FQHCs will enable more children to be enrolled in Florida KidCare, and allow uninsured families to become less reliant on hospitals for more-costly basic health services.

Enrolls Eligible, Uninsured Children, Often Connecting the Hardest-to-Reach

Presumptive eligibility will allow hospitals and FQHCs, which often serve the lowest-income families, to enroll eligible children who have not been reached through other approaches. For example, a FQHC can presumptively enroll an uninsured child who is overdue for a well-child checkup or immunizations and coordinate these needed services without delay. For families who face literacy or cultural barriers, live in remote areas, or are wary of government, extra assistance from trusted community-based organizations can provide a vital link to Medicaid and CHIP.ⁱⁱ

Qualified Providers for Presumptive Medicaid Eligibility for Pregnant Women in Florida

The state of Florida has long had a successful, presumptive eligibility program that provides critical prenatal care for pregnant women. Pregnant women may only be presumed eligible for Medicaid by a qualified provider that has received training and instruction in determining Medicaid eligibility.



Projected Cost

We estimate the total cost for extending presumptive eligibility to children for FY2013-2014 to be approximately \$1.9 million. This estimate is based off the participation rates in the current presumptive eligibility program for Medicaid-eligible pregnant women, the per person per month coverage costs based on each Medicaid/CHIP program funding rates, a two-month maximum eligibility period, the state's share of the cost minus the appropriate federal matching rate, and other factors.

Financing

During the presumptive eligibility period, states receive their regular federal medical assistance participation (FMAP) match for children determined presumptively eligible for Medicaid and the enhanced FMAP for children determined eligible for CHIP or a CHIP-financed Medicaid expansion group. Once a child is enrolled in coverage on an ongoing basis, the federal match is based on the child's final eligibility determination.

What Are the Risks of Fraud or Error?

Some states are wary of the presumptive eligibility option, fearing that families will misrepresent their income in order to obtain services for ineligible children. However, there is little reason for families to lie in order to get 30-60 days of health coverage for their children. States that have moved to self-declaration of income in Medicaid for children report low error rates. At least one study of presumptive eligibility for pregnant women in Wisconsin found an error rate of less than 1 percent. Head Start, WIC, and eligibility sites for CCDBG are likely to be accurate because they must also make income determinations for participation in their own programs and may often have first-hand knowledge of a family's financial circumstances. Also, the children applying at these sites are unlikely to need more than routine and preventive care during the presumptive eligibility period.

In addition, there are several options available to states to limit presumptive eligibility's potential for fraud or error. The state can narrow the range of agencies eligible to be qualified entities and, in any event, must determine that qualified entities are capable of making determinations. Qualified entities that submit a high proportion of erroneous determinations can be decertified. In addition, states can impose reasonable limitations on the number of times a child can be found presumptively eligible. Most states require prior approval for unusually costly procedures. States can expedite the application process when a provider has requested prior approval during the presumptive eligibility period. In New Jersey, the state reviews all presumptive eligibility determinations to assure that the children are not already on Medicaid and that the determination is not erroneous.

Do Families Have to Pay Back Benefits If They Are Not Approved for Medicaid After the Presumptive Period Ends?

While neither families nor providers have to repay the costs of services obtained during the presumptive eligibility period even if the family never completes a Medicaid application or completes the application and is denied coverage, Florida can design its presumptive eligibility program to include measures discussed as above so that it may reduce the potential of fraud and limit potential exposure to higher-cost procedures and costs.



Will the State Receive Federal Reimbursement for a Child Who Is Not Approved For Medicaid after the Presumptive Eligibility Period Ends?

States will be reimbursed at the regular federal Medicaid matching rate for covering children during the presumptive eligibility period, even if the children are not ultimately found eligible for health coverage. Furthermore, such payments will not be considered errors for purposes of Medicaid Eligibility Quality Control reviews.ⁱⁱⁱ

ⁱ Brooks, Tricia. Georgetown University Health Policy Institute, Center for Children and Families, *Presumptive Eligibility: Providing Access to Health Care Without Delay and Connecting Children to Coverage*. (2011)

ⁱⁱ Georgetown Univ.- http://ccf.georgetown.edu/wp-content/uploads/2012/03/Presumptive_eligibility_20111.pdf

ⁱⁱⁱ FamiliesUSA-<http://www.familiesusa.org/resources/publications/issue-briefs/promising-ideas-presumptive-eligibility.html>