

# **Medicaid and CHIP Eligibility Review Pilots**

## **Round 2 Reporting and Corrective Action Guidance**

Issued: October 2014

## **Background**

State Health Official Letter 13-005, issued on August 15, 2013, directs states to implement Medicaid and Children's Health Insurance Program (CHIP) Eligibility Review Pilots in place of the Payment Error Rate Measurement (PERM) and Medicaid Eligibility Quality Control (MEQC) eligibility reviews for fiscal years (FY) 2014 – 2016. States will conduct four streamlined pilot measurements over the three year period. The pilot measurement results should be reported to CMS by the last day of June 2014, December 2014, June 2015, and June 2016.

Guidance for conducting the Round 2 pilot reviews was issued in May 2014. This guidance specifies the reporting and corrective action requirements for Round 2 pilots due December 31, 2014. Guidance for later pilots will be released at a later date.

## **Due Dates & Submission**

Round 2 pilot findings, along with corrective action information, are due to CMS no later than December 31, 2014. States will use the PERM Eligibility Tracking Tool (PETT) website to submit the Medicaid and CHIP Eligibility Review pilot findings. Attached to this guidance is a pilot reporting template that contains the information states are required to enter on the PETT website. Instructions and webinar trainings for entering Round 2 pilot findings will be offered prior to the findings due date.

States are required to enter findings directly on the PETT website. An upload function will not be available, and CMS will not accept an excel version of the template. However, to make the PETT submission process easier, users will be able to save the findings as draft before submitting as final to CMS. States should keep in mind that the PETT submission is a final report to CMS and is not intended to collect information as reviews are being completed. CMS comments and approval will also be handled through the PETT website.

States are required to certify results submitted in PETT. States should specify the name of the state official (State Medicaid/CHIP Director or designee) that is attesting to the accuracy of the findings. Prior to submission, users must check the box next to the attestation "I certify that this information is accurate and understand that this information may be subject to Federal review." Users must then enter the name of the person certifying the report. The website will not accept the pilot findings submission unless the results have been certified.

Once the final report is submitted to CMS, CMS will review and provide comments or approval within 2 weeks. If CMS does not approve the report, states will have 1 week to revise the reporting template based on CMS comments.

If a state is unable to comply with Round 2 reporting due dates, the state must submit an extension request to the CMS eligibility pilots email box. The state must submit the following information with this request:

- Confirmation that all the samples have been pulled and assigned to reviewers
- Specify the number of staff working on the reviews

- The number of cases reviews completed (please include as of date)
- Number of case reviews pending
- Timeline for completing pending reviews
- Date reviews will be completed
- The timeframe for reviewing and analyzing results, planning corrective actions and preparing final report before submission to CMS by (include date)
- Detailed description of the delays that prevented the state from complying with pilot timeframes.

## Corrective Actions

### General Requirements

Along with the pilot review findings, states must submit information on corrective actions through the PETT reporting template. States should plan to complete their pilot reviews well in advance of the reporting due date so that they are able to analyze the results, develop corrective actions that will effectively reduce or eliminate errors and deficiencies, and report those corrective actions to CMS. Corrective action plans are due at the same time as pilot review findings.

Oftentimes the state staff responsible for conducting and reporting on these pilots is not the same staff that has control over implementing necessary corrective actions. State pilot staff should plan to work with other components (e.g., systems and eligibility policy staff) within their state as necessary to plan and report on corrective actions.

A corrective action is a step by step plan of action that is developed to achieve targeted outcomes for resolution of identified errors and deficiencies in an effort to:

- Identify the most cost-effective actions that can be implemented to correct error and deficiency causes
- Develop and implement a plan of action to improve processes or methods so that outcomes are more effective and efficient
- Achieve measureable improvement in the highest priority areas
- Eliminate repeated deficient practices.



For each error or deficiency identified through the Medicaid and CHIP eligibility review pilots, states are required to discuss corrective actions implemented to avoid such errors or deficiencies in the future (e.g. States cannot simply report that they are referring the error to an agency for corrective action development; States must report the specific action they are taking to avoid the error from occurring again in the future). States should describe the corrective actions that the state will implement and how these actions will reduce or eliminate errors.

There are some instances where the same root causes and corrective actions may apply to multiple sections. If a corrective action for a specific root cause was already reported, states can simply refer to the other section instead of

repeating the same corrective action information (i.e. ‘See Section 5 for full corrective action information’). It should be clear to CMS that the same root cause and the same Case IDs are being reported on in both sections. The states may also copy and paste the same information if they choose.

### Root Causes

For errors and deficiencies identified through the pilot, states are required to identify and report the root cause of the error/deficiency. States must report at a minimum:

- **Root Cause Description** – detail the underlying issues that caused the error or deficiency. States should describe the underlying cause, not just the surface cause, and identify why a particular program/operational procedure caused the specific error.

*Example: Caseworker failed to apply the state’s reasonable compatibility standards for income according to state’s verification plan. Caseworker should have requested additional income information from applicant due to discrepancies with electronic resources. Error did not result in an incorrect eligibility determination, but caseworker did not follow appropriate eligibility determination process.*

*Example: Due to a programming issue, the state system did not generate final notices for denied cases with denial reason codes A03, A17, or A23.*

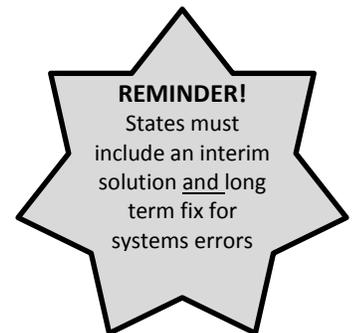
### Corrective Action Information

For each root cause, the state is required to provide the following corrective action information, at a minimum:

- **Corrective Action Description** - Details on the action to be taken, providing a step-by-step action plan, where applicable. States should identify the specific actions that will be taken to prevent the same errors/deficiencies from occurring in the future. For systems errors this should include both a long term fix and an interim solution.

*Example: Provided one-on-one training focusing on reasonable compatibility standards to the individual caseworkers responsible for the deficiencies; reviewed the caseworker training manual and made multiple clarifications in the reasonable compatibility sections; implementing ongoing monthly trainings which will focus on eligibility pilot errors and deficiencies.*

*Example: State scheduled for system upgrade December 2014 to correct automated final notices errors for problematic denial reasons; State reviewed programming and ensured reason codes A03, A17, or A23 were the only affected codes; State has developed an interim workaround to assure all denied receive appropriate final notifications; All denied cases with problematic reason codes will be transferred to caseworker for manual final notices until system updates complete.*



- **Who is responsible for completion of the corrective action?** – Include the state key personnel and components responsible for implementing the corrective action. States should include the name(s) of the specific contact(s); the agency/division that will oversee the corrective action; and the agency/division that will implement the corrective action (if different from the agency/division that will provide oversight).

*Example:*

*John Smith, Director, Division of Eligibility Determination Policy, State Department of Health and Human Services*

*Sarah Green, Director, Division of Eligibility Support Systems, State Department of Health and Human Services*

- **Timeframe for Completion** - The corrective action implementation dates and the expected completion dates for resolving problems.

*Example: One-on-one training was completed in November 2014; Clarifications added to training manual for publication in December 2014; January 2015 monthly training focusing on reasonable compatibility standards*

*Example: Automatic denials system fix released scheduled for December 2014; Manual workaround implemented October 2014*

- **Process for evaluation** - Expected results of the corrective action and how the state plans to monitor the effectiveness of the corrective action. The state should include who will be responsible for monitoring the corrective action and the timeline for monitoring the corrective action.

*Example: Eligibility Determination Policy Staff will continue to monitor effects of training through weekly internal QA checks*

*Example: The Division of Eligibility Support Systems will pull a random sample of problematic denial codes on a weekly basis to ensure the manual workaround is operating effectively.*

For cases where an incorrect eligibility determination was made (i.e. errors), the corrective action section should also discuss the state's plan to forward the cases to the State agency responsible for eligibility determinations for appropriate follow-up actions.

While states must discuss corrective actions for each error, it remains the state's decision on which corrective actions to implement that will decrease or eliminate errors. States are encouraged to use the most cost effective corrective actions that can be implemented to best correct and address the root causes of the errors.

States will be required to provide an update on these corrective actions, including an evaluation of the effectiveness of the corrective actions, when reporting on the Round 3 pilots in June 2015.

Therefore, a thorough and detailed description of the state’s corrective action strategy will benefit states in conducting the Round 3 pilots next year.

**ALERT! Change from Round 1**

States are required to report on and develop corrective actions for root causes of all errors and deficiencies.

### Assignment of Case ID

States are required to assign a unique Case ID number to each sampled case that had an error or deficiency identified during the pilot reviews. Although states may have created their own state-specific Case ID numbers, states will be required to assign Case ID numbers using the format specified below for reporting.

**The Case ID number should be 8 digits and assigned using the following logic:**

1	2	3	4	5	6	7	8
State Abbreviation	Program		Active vs. Negative Determination	Initial vs. Redetermination	Sequence Number		
Standard postal 2 character state abbreviation	M = Medicaid C = CHIP		A = Active N = Negative	I = Initial Determination R = Redetermination	3 digit sequence number assigned by the state to ensure each case has a unique case ID		

*Example: TXMAI003 decodes to:*

*State: TX = Texas*

*Program: M = Medicaid*

*Active vs. Negative: A = Active*

*Initial vs. Redetermination: I = Initial*

*Sequence number = 003*

States are only required to assign Case ID numbers to cases with errors/deficiencies identified (i.e. correct cases do not require a Case ID since they are not being reported on). One case may have multiple errors/deficiencies but should only be assigned one Case ID number. This will assist CMS in following a case throughout a state’s report.

States should maintain a crosswalk that links the assigned Case ID number to the case reviewed in the event that pilot findings are subjected to Federal review.

**ALERT! Change from Round 1**

States are required to assign a unique Case ID number to each sampled case that had an error or deficiency identified and maintain a crosswalk. One case may have multiple errors/deficiencies but should only be assigned one Case ID number. This is in addition to submitting information about state-based errors codes.

## Reporting Instructions

This section provides instruction for what information states should include in the pilot reporting form fields on PETT. Please refer to the attached template for a listing of fields.

### Medicaid vs. CHIP

Please note that states are asked to report on Medicaid (Title XIX) and CHIP (Title XXI) separately throughout the reporting form. Cases should be distinguished as Medicaid versus CHIP depending on their federal funding source (i.e. Title XIX = Medicaid; Title XXI = CHIP). Medicaid vs. CHIP is not an agency distinction.

### Section 1: General Information

State name, the pilot round (Round 2), determination review period (April 2014 – September 2014), date of submission, and reporting period (December 2014) will all be prepopulated by the PETT website.

States are required to enter:

- State Contact Name(s)
- State Contact E-mail Addresses
- State Contract Phone Numbers

This contact information will be used by CMS for any questions about state Round 2 reporting.

### Section 2: Background Information

- 1. Date State Implemented MAGI Determinations:** This field will be prepopulated with the information from the state's Round 2 pilot proposal. States should change the value in this field if it no longer reflects the date the state implemented MAGI determinations.
- 2. Date State Implemented Annual MAGI Redeterminations:** This field will be prepopulated with the information from the state's Round 2 pilot proposal. States should change the value in this field if it no longer reflects the date the state implemented annual renewals based on MAGIs. This date should be consistent with any mitigation plan or waivers.
- 3. Marketplace Model During Pilot Timeframe – Medicaid:** Select SBM, FFM assessment, or FFM determination from drop down list
- 4. Marketplace Model During Pilot Timeframe – CHIP:** Select SBM, FFM assessment, or FFM determination from drop down list
- 5. Please specify if state changed marketplace models during pilot timeframe:** If the state changed marketplace models April 2014 – September 2014, please include the date and this occurred and describe the impact this change had on your state's findings.
- 6. For SBM states only, is the SBM integrated with the Medicaid/CHIP eligibility system or is the SBM a stand-alone system?** Select integrated, stand-alone, or N/A from the drop down list. For SBM states, N/A is not an option.
- 7. Aspects of States ACA Implementation with Impact on Round 2 Pilot:** Please discuss aspects of the state's implementation of new ACA requirements that had an

impact on the pilot and may help interpretation of pilot results. The types of information CMS intends to collect in this section includes, but is not limited to:

- Delays in implementing initial MAGI eligibility determinations or MAGI renewals/redeterminations
- Interim MAGI solutions used (e.g. manual MAGI calculations, MAGI in a cloud) along with the date span these interim solutions were used
- Timeframes for implementing inbound and outbound FFM transfers
- Changes in eligibility systems and relevant dates
- Relevant waivers and mitigation strategies in place

If the state was timely with implementation, experienced no delays, did not implement any targeted enrollment strategies, etc., please state that in this section.

- 8. Has anything changed about the pilot since approval of the pilot proposal? If yes, please describe.** The approved pilot proposal is CMS' record of how the state chose to conduct the round 2 pilot. If there is anything in the approved proposal that is no longer accurate or anything missing from the proposal, the state should include a description in this section. If the approved pilot proposal accurately reflects the state's round 2 pilots, please put "no" for this section.
- 9. Did your state's pilot focus on any specific areas or aspects of eligibility based on findings from Round 1?** Please include in this section any information about specific areas or aspects of eligibility that your state's pilot focused on as a result of errors identified during your round 1 pilot review.
- 10. Please include any other information that may help interpretation of the pilot results:** Please include in this section any information that may help interpretation of the pilot results. Do not include any information that does not relate to the review period of April 2014 – September 2014. The state should include any other information that someone reviewing the state's results should know. For example, if your state will be entering "0"s in an entire section of this reporting template because it is not something your state is able to report, this field can be used to describe that. This field is optional and may be left blank.

### **Section 3: Overall Findings**

States are required to report overall findings for Medicaid and CHIP in separate sections. Cases should be distinguished as Medicaid versus CHIP depending on their federal funding source (i.e. Title XIX = Medicaid; Title XXI = CHIP).

**Please describe the sampling unit and the level at which the state is reporting errors (the level at which the state is reporting errors is how the state defines a "case" throughout reporting).**

States should describe whether they sampled at the individual or household level.

- If your state sampled at the individual level, describe whether you are reporting on the sampled individual or opted to review the entire household and are reporting on each individual in the household. For reporting purposes, a "case" = an individual.

- If your state sampled at the household level, describe whether you are reporting on each individual in the household (for reporting purposes, a “case” = an individual) or if you are reporting on the household itself (for reporting purposes, a “case” = a household)

*Example: Four individuals in a household. One is in error and three are correct. If a case = an individual, the state would report one error and three correct cases.*

*Example: Four individuals in a household. Two out of four household members had an eligibility error. If case = a household, the state would report one case in error.*

Please remember that sampling at the household level and reporting on only one individual in the household is not an option.

### **Overall findings for Active Cases, Negative Cases, Initial Determinations and Redeterminations**

For both Medicaid and CHIP, states must report the number of cases reviewed, cases correct, cases in error, cases deficient, and payment information for active initial determinations, active redeterminations, negative initial determinations, and negative redeterminations. States should follow the definition of active vs. negative and initial determination vs. redetermination included in their Round 2 pilot proposal.

- **Number of cases reviewed:** Enter the total number of cases reviewed for the component being reported (e.g. total number of Medicaid active redeterminations reviewed). The number of cases correct, cases in error, and cases deficient should add up to this number.
- **Number of cases correct:** Enter the number of cases found to be correct. A case is considered to be correct if there were no errors or deficiencies identified on the case during review. In other words, the state did not answer ‘no’ to any of the review questions #1-9 for this case and did not identify any additional deficiencies. No issues or problems were identified during the review of these cases.
- **Number of cases in error:** Enter the number of cases where the decision about overall program eligibility was incorrect (i.e. the answer to review question #1 was ‘no’). If a case was cited ‘undetermined’ do not report these cases in the error total and, instead, report them as a deficiency.
- **Number of cases deficient:** Enter the number of cases where the decision about overall program eligibility was correct (i.e., the answer to review question #1 was ‘yes’) but a deficiency was identified on the case. Be sure to also include deficiencies reported in Section 15 that are not related to one of the review questions. Do not include cases that were in error and had a deficiency (as these cases will have already been reported under cases in error). If a case had more than one deficiency, only count that case once in this total. Include cases considered ‘undetermined’ in this count.



- **Dollar value of Improper Payments identified (for active cases only):** Enter the total dollars for active cases in error (i.e., cases where the answer to review question #1 was ‘no’).

**ALERT! Change from Round 1**

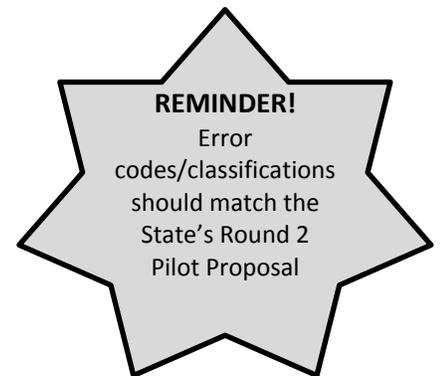
States must report the number of cases correct, number of cases in error, and number of cases deficient for Medicaid and CHIP active, negative, initial, and redeterminations.

Correct Case = NO errors and NO deficiencies identified on the case during review

**Section 4: Analysis by State-Based Error Codes**

For both Medicaid and CHIP, states must report the number of errors/deficiencies that are identified for each error code/classification captured for active initial determinations, active redeterminations, negative initial determinations, and negative redeterminations. States proposed their own error codes/classifications in their Round 2 pilot proposals and must include those error codes/classifications in this section. CMS will refer to each state’s specific error code/classifications when reviewing how identified errors/deficiencies align with these codes/classifications throughout round 2 reporting.

- **Please list all of the error codes/classifications that the state used:** States should list all error classifications/codes used for the pilot. These state-based error codes should match information from the “Specify which error codes/classifications will be used and how errors/deficiencies will be bucketed into those error codes/classifications” section of your state’s approved Round 2 pilot proposal. Please note that the number of rows in PETT will expand to accommodate all error codes/classifications that the state used for pilot review.
- **Number of errors/deficiencies:** The state should include the number of errors/deficiencies identified for each error code/classification captured. If a case had multiple deficiencies identified, that case may count towards more than one error code/classification (i.e. the totals do not need to match Section 3 since a case may be counted more than once). However, the totals should relate to reporting Sections 5 through 15 (e.g. if your state had a classification specifically for household composition not properly established then the total number of errors/deficiencies for that classification should theoretically match the total number of cases reported in Section 12).
- **Dollar value of improper payments:** The state should include the dollar value of improper payments associated with each error code/classification. This is not required for eligible codes (i.e., E – eligible), negative cases, or deficiencies.



**Reporting Cases in Sections 5 through 15**

In Sections 5 through 15, for both Medicaid and CHIP states are required to report by active initial determinations, active redeterminations, negative initial determinations, and negative redeterminations. The guidance below applies to each of these categories.

Please note that the same case can (and in many cases should) be reported in more than one section. A case should be reported in each section for which the answer to the review question was ‘no’. For example, if a state reports a case in Section 5 as the decision about program eligibility was incorrect because the income level was not established correctly, CMS would expect this case to also be reported in Section 13 which asks about properly establishing income level. In another example, if a state failed to verify the household according to the state’s verification plan; however it did not change the household status, the state would report the error in section 10 but not under household composition in section 12. But if the state failed to verify the household according to the state’s verification plan and did not establish the household correctly, the state would report the error in both places.



**Section 5: Was the decision about program eligibility correct?**

- **Total # of cases reviewed for decision about program eligibility:** Enter the total number of cases reviewed. This should match the total number of cases reviewed reported in Section 3. Additionally, the number of cases reported in this section where the decision about program eligibility was correct, incorrect, and undetermined should add up to this number.
- **# Decision about program eligibility correct:** Include the number of cases for which the decision about program eligibility was correct.
- **# Decision about program eligibility incorrect:** Include the number of cases for which the decision about program eligibility was incorrect. The decision should be considered incorrect if any of the responses to the questions below are “no”:
  - Was the case reviewed determined eligible for Medicaid but should have been eligible for CHIP or not eligible at all?
  - Was the case reviewed determined eligible for CHIP but should have been eligible for Medicaid or not eligible at all?
  - Was the case reviewed determined not eligible for Medicaid or CHIP but should have been eligible for Medicaid or CHIP?



This should match the total number of cases in error reported in Section 3.

- **# Decision about program eligibility undetermined:** Report the number of “undetermined” cases here. A case is considered undetermined if the pilot reviewer was unable to answer the question “Was the decision about program eligibility incorrect?” due to lack of information. These cases have insufficient information available for review to determine if the overall eligibility decision was correct or incorrect. This “undetermined” finding only applies to reporting in Section 5. States will be required to report these cases in the appropriate section 6 through 14 as a deficiency. See Round 2 FAQs for more details for reporting “undetermined”. States are also required to complete the Root Cause and Corrective Action Analysis section below for any “undetermined” cases.



**ALERT! Change from Round 1**

States should report cases as “Undetermined” in Section 5 if there is insufficient information available for review to determine if the eligibility decision was correct. “Undetermined” cases are considered deficiencies, require corrective action plan, and must be reported in appropriate sections 6 through 14 as a deficiency.

- **\$ Improper payments due to this measure:** Include the dollar value of improper payments for cases where the decision about program eligibility was incorrect.
- **Root Cause and Corrective Action Analysis:** States must list the root causes of cases where the decision about program eligibility was incorrect or undetermined. See the corrective action section of this guidance for more information on identifying root causes. Please note that the number of rows in PETT will expand to accommodate as many root causes as the state identified. For each root cause listed, the state is required to enter the following information:
  - **Root Cause Owner:** States must select a general root cause owner from the drop down box. The drop down options are ‘Caseworker’ for issues due to caseworker action, ‘Systems’ for issues due to systems issues, and ‘Other’ for any issues that do not fall into one of those two buckets.
  - **Number of Cases Associated with Root Cause:** Enter the number of cases reported in this section that were due to this root cause
  - **Case IDs Associated with Root Cause:** Enter the assigned Case IDs for each case reported in this section due to this root cause. These Case ID numbers should be the IDs assigned with the logic specified in this guidance, not state-specific Case ID numbers. States should enter the Case IDs in a list format by pressing ‘Enter’ after each Case ID so that each Case ID shows up on a different line within the text box. The number of Case IDs entered should equal the number reported for ‘Number of Cases Associated with Root Cause’. States can report the same Case ID for multiple root causes.
  - **Corrective Action Description:** Details on corrective actions the state is implementing to address the root cause. See the corrective action section of this guidance for detailed instruction on the information states must include in this section.
  - **Component/Staff Responsible for the Corrective Action:** Include the state key personnel and components responsible for implementing the corrective action. See the corrective action section of this guidance for detailed instruction on the information states must include in this section.
  - **Timeframe for Completion:** Enter the corrective action implementation dates and the expected completion dates for resolving problems. See the corrective action section of this guidance for detailed instruction on the information states must include in this section.
  - **Process for Evaluation:** Expected results of the corrective action and how the state plans to monitor the effectiveness of the corrective action. See the corrective action section of this guidance for detailed instruction on the information states must include in this section.
  - **Was this an issue in Round 1?** Select ‘yes’ or ‘no’ from the drop down box to indicate if the same root cause was identified through Round 1 pilots. If yes, state must report as a ‘continuing issue’ in Section 20: Updates on Round 1 Corrective Actions.
- **Describe the state’s plan for handling actual cases identified where the incorrect eligibility determination was made (i.e. errors).** States should describe if they plan to open incorrectly denied cases and terminate incorrectly enrolled cases through the appropriate processes. *Example: any cases that have been identified as an incorrect*

*eligibility determination are referred back to our state's eligibility determination staff. Incorrectly denied cases will be reopened with appropriate enrollment notification and cases that were incorrectly opened will be appropriately terminated. Denial notices will include information about the individual's rights to appeal the decision and additional resource information.*

- **If the state has no incorrect cases or very few errors, describe best practices that contributed to the absence of errors:** States that did not report any or very few errors in this section must describe best practices/factors that contributed to an accurate eligibility determination process. For example, states should describe tools, worksheets, etc. that were utilized by eligibility caseworkers that contributed to a low number of errors.

**ALERT! Change from Round 1**

States are required to list the root causes of cases reported in each section. For each root cause listed states must report the number of cases associated the root cause, the Case ID numbers (assigned in accordance with this guidance) for associated cases, and corrective action information.

**Section 6: Was the decision about eligibility group/category correct?**

- **Total # of cases reviewed for decision about eligibility group:** Enter the total number of cases reviewed. This should match the total number of cases reviewed reported in Section 3. Additionally, the number of cases reported in this section where the decision about eligibility group was correct and incorrect should add up to this number. States will not be reporting a response to this question for negative cases.
- **# Decision about eligibility group correct:** Include the number of cases for which the decision about eligibility group was correct.
- **# Decision about eligibility group incorrect:** Include the number of cases for which the decision about eligibility group was incorrect. This should include cases that were not in the appropriate group and subcategories of coverage as applicable to the state and cases where the incorrect hierarchy was used.
- **\$ Improper payments due to this measure:** Include the dollar value of improper payments for cases where the decision about eligibility group was incorrect.
- **Root Cause and Corrective Action Analysis:** States must list the root causes of cases where the decision about eligibility group was incorrect and enter relevant corrective action information for each root cause. See guidance for Section 5 and in the Corrective Action Section for more information for completing these fields.



**ALERT! Change from Round 1**

States do not have to report on negative cases in Section 6.

**Section 7: If the decision has been finalized and denied, was the case transferred to the FFM appropriately?**

Reminder: States using an SBM must review for this element to ensure that an applicant denied coverage was appropriately referred to the SBM for Advanced Premium Tax Credit (APTC) determination. States that do not have a shared eligibility system should review that the case was transferred to the SBM. States that have a shared eligibility system should look for the result of the APTC determination as evidence that the case was referred correctly.

- **Total # of cases reviewed for appropriate transfer:** Enter the total number of negative cases reviewed. This should match the total number of negative cases reviewed reported in Section 3. Additionally, the number of cases transferred appropriately and inappropriately should add up to this number.
- **# Transferred appropriately:** Include the number of negative cases that were transferred appropriately. If state has an interim solution in place (e.g. because out bound FFM transfers were not live during the pilot review period) and a case was transferred appropriately following this interim solution process, the case would be reported here.
- **# Transferred inappropriately:** Include the number of negative cases that were not transferred appropriately.
- **Root Cause and Corrective Action Analysis:** States must list the root causes of cases not transferred appropriately and enter relevant corrective action information for each root cause. See guidance for Section 5 and in the Corrective Action Section for more information for completing these fields.



**Section 8: If the decision has been finalized and denied, have appropriate (timely and accurate) final notices been sent?**

- **Total # of cases reviewed for appropriate final notices sent:** Enter the total number of negative cases reviewed. This should match the total number of negative cases reviewed reported in Section 3. Additionally, the number of cases reported in this section where appropriate final notices were and were not sent should add up to this number.
- **# of Appropriate final notices sent:** Include the number of negative cases where final notices were sent appropriately. If state has an interim solution in place and the appropriate final notices were sent following this interim solution process, the cases would be reported here.
- **# of Appropriate final notices not sent:** Include the number of negative cases where final notices were not sent appropriately. This should include both inaccurate and untimely notices.
- **Root Cause and Corrective Action Analysis:** States must list the root causes of cases where appropriate final notices were not sent and enter relevant corrective action information for each root cause. See guidance for Section 5 and in the Corrective Action Section for more information for completing these fields.



**Section 9: If the application was transferred from a FFM, were appropriate steps taken to ensure reuse of application and verification information?**

Reminder: States utilizing an SBM that do NOT have a shared eligibility system must review for this element and verify that the state used information transferred from the SBM when making the determination. SBM states with a shared eligibility system do not need to review and report on this element and should include 0's in this section.



- **Total # of cases reviewed for appropriate steps taken to ensure reuse of information:** Enter the total number of cases reviewed for this section. This should reflect the total number of cases reviewed that were transferred from an FFM or non-integrated SBM (i.e. not necessarily all cases reviewed). The number of cases where appropriate steps were and were not taken to reuse information should add up to this number. SBM states with an integrated system should enter '0'.
- **# of cases where appropriate steps were taken to ensure reuse of information:** Include the number of cases transferred from the FFM or non-integrated SBM where the application and verification information was reused correctly.
- **# of cases where appropriate steps were not taken to ensure reuse of information:** Include the number of cases transferred from the FFM or non-integrated SBM where the application and verification information was not reused correctly.  
*For example, an FFM Assessment state received verification of income with account transfer from FFM. State caseworker inappropriately reverified income that should not have been reverified in accordance with state's verification plan. This case would be identified as not appropriately reusing information in transfer from FFM.*
- **\$ Improper payments due to this measure:** Include the dollar value of improper payments for cases due to this measure.
- **Root Cause and Corrective Action Analysis:** States must list the root causes of cases where information was not reused correctly and enter relevant corrective action information for each root cause. See guidance for Section 5 and in the Corrective Action Section for more information for completing these fields.

**Section 10: Were the appropriate attestations or verifications made for data collected in the application as identified in the state's verification plan before disposition?**

- **Total # of cases reviewed for appropriate attestations/verifications:** Enter the total number of cases reviewed for this section. This should match the total number of cases reviewed reported in Section 3. Additionally, the number of cases reported in this section where appropriate attestations were and were not made should add up to this number.
- **# of cases where appropriate attestations/verifications made:** Include the number of cases where appropriate attestations/verifications were made in accordance with the state's verification plan.
- **# of cases where appropriate attestations/verifications not made:** Include the number of cases where appropriate attestations/verifications were not made in accordance with the state's verification plan.



- **\$ Improper payments due to this measure:** Include the dollar value of improper payments for cases due to this measure.
- **Root Cause and Corrective Action Analysis:** States must list the root causes of cases where the verification plan was not followed correctly and enter relevant corrective action information for each root cause. See guidance for Section 5 and in the Corrective Action Section for more information for completing these fields.

**Section 11: If additional information was sought from the applicant or beneficiary, was such information properly requested based on attestations and verifications, or existing data, and utilized properly in the eligibility determination?**

- **Total # of cases where additional information was requested from the applicant or beneficiary:** Enter the total number of cases reviewed for this section. This should reflect only those cases where additional information was sought from the applicant/beneficiary. If the state reports the total number of cases reviewed for the pilot in this field, it will be interpreted to mean that the state contacted the applicant/beneficiary on every case. The number of cases reported in this section where additional information was and wasn't properly requested and utilized should add up to this number.
- **# of cases where additional info was properly requested and utilized:** Include the number of cases for which additional information was properly requested from an applicant/beneficiary and properly utilized.
- **# of cases where additional info was not properly requested and utilized:** Include the number of cases for which additional information was either requested improperly from an applicant/beneficiary or improperly utilized.
- **\$ Improper payments due to this measure:** Include the dollar value of improper payments for cases due to this measure.
- **Root Cause and Corrective Action Analysis:** States must list the root causes of cases for which additional information was requested improperly or improperly utilized and enter relevant corrective action information for each root cause. See guidance for Section 5 and in the Corrective Action Section for more information for completing these fields.



**Section 12: Based on the information supplied, attested and verified, was the household composition for the applicant properly established?**

- **Total # of cases reviewed for household composition:** Enter the total number of cases reviewed for this section. This should match the total number of cases reviewed reported in Section 3. Additionally, the number of cases reported in this section where household composition was and was not properly established should add up to this number.
- **# of cases household composition properly established:** Include the number of cases for which the household composition was properly established.
- **# of cases household composition not properly established:** Include the number of cases for which the household composition was not properly established.
- **\$ Improper payments due to this measure:** Include the dollar value of improper payments for cases due to this measure.



- **Root Cause and Corrective Action Analysis:** States must list the root causes of cases for which household composition was not properly established and enter relevant corrective action information for each root cause. See guidance for Section 5 and in the Corrective Action Section for more information for completing these fields.

**Section 13: Based on the information supplied, attested and verified, was the income level for the applicant properly established?**

- **Total # of cases reviewed for income level:** Enter the total number of cases reviewed for this section. This should match the total number of cases reviewed reported in Section 3. Additionally, the number of cases reported in this section where income level was properly established and was not properly established should add up to this number.
- **# of cases income level properly established:** Include the number of cases for which the income level was properly established.
- **# of cases income level properly not established:** Include the number of cases for which the income level was not properly established.
- **\$ Improper payments due to this measure:** Include the dollar value of improper payments for cases due to this measure.
- **Root Cause and Corrective Action Analysis:** States must list the root causes of cases for which income level was not properly established and enter relevant corrective action information for each root cause. See guidance for Section 5 and in the Corrective Action Section for more information for completing these fields.



**Section 14: Based on the information supplied, attested and verified, was the citizenship and immigration status for the Medicaid applicant properly established?**

- **Total # of cases reviewed for citizenship and immigration status:** Enter the total number of cases reviewed for this section. This should match the total number of cases reviewed reported in Section 3. Additionally, the number of cases reported in this section where citizenship and immigration status was properly established and was not properly established should add up to this number.
- **# Citizenship and immigration status properly established:** Include the number of cases for which citizenship and immigration status were properly established.
- **# Citizenship and immigration status not properly established:** Include the number of cases for which citizenship and immigration status were not properly established.
- **\$ Improper payments due to this measure:** Include the dollar value of improper payments for cases due to this measure.
- **Root Cause and Corrective Action Analysis:** States must list the root causes of cases for which citizenship and immigration status were not properly established and enter relevant corrective action information for each root cause. See guidance for Section 5 and in the Corrective Action Section for more information for completing these fields.



**Section 15: Other Deficiencies**

States should use this section to report any deficiencies identified that do not fit into one of the other sections. This is a “catch all” section where states should report issues/vulnerabilities

identified through the pilots that do not directly answer one of the required review questions. These deficiencies also count toward the total number of deficient cases reported in section 3.

States should report the following information in this section:

- **# with other deficiencies:** enter the total number of cases with a deficiency identified that does not fit into one of the other reporting sections
- **Root Cause and Corrective Action Analysis:**
  - **Describe deficiency and root cause:** Enter a row for each type of other deficiency identified. Fully describe the deficiency and its root cause.
  - States should complete the remaining corrective action information in accordance with the previous sections of this guidance

**Section 16: Analysis by Point of Application (e.g., state agency, transferred from marketplace)**

For Medicaid active, Medicaid negative, CHIP active and CHIP negative:

- **Please list point of application captured:** States should list the points of application (e.g., state agency, transferred from marketplace) that the pilot captured information on. These points of application should match the state’s Round 2 pilot proposal. Redeterminations are not required to be bucketed into different points of applications and will be listed as a separate ‘point of application’. Pilot guidance required that states report analysis on “Applications received at state agency/delegated entity” and “Redeterminations” and, therefore, those points of application are pre-populated. Do not create new rows for these two points of application. Enter information for applications received at the State agency and redeterminations into the rows already provided. Only add rows for the points of application captured that are not already listed. The number of rows in PETT will expand to accommodate as many points of applications the state captured.
- **# Reviewed:** Enter number of cases reviewed for each point of application. States that were approved to not review a required point of application should enter 0 in the pre-populated rows. The number reviewed for each point of application should add up to the total number of cases reviewed reported in Section 3.
- **# in error:** Enter the number of cases in error for each point of application. This count should match the number of cases in error reported in Section 3 and Section 5 (i.e. do not report cases that were only deficient with no error).
- **\$ Improper payments:** Dollar value of improper payments identified for each point of application.
- **Provide a high-level analysis of the accuracy of eligibility determinations by point of application. Was one point of application more problematic than others?** States should provide a discussion of any trends or analysis relevant to the point of application. Briefly describe any findings that were directly related to the point of application. For any error trends or error findings that were associated with the point of application states should provide a description of the errors and the cause of errors. The state may also indicate that there were no apparent trends.



- **Corrective actions implemented focused on specific points of application:** States should provide a general description of any corrective actions implemented that were focused on a particular point of application or any corrective actions implemented to resolve trends or error findings associated with the point of application. If there were no corrective actions implemented relating to this particular measure, the state can indicate that in this field.

**Section 17: Analysis by Type of Application (i.e. single streamlined application; multi-benefit application)**

For Medicaid active, Medicaid negative, CHIP active and CHIP negative:

- **Please list type of application captured:** States should list the types of application (e.g., single streamlined application; multi-benefit application) that the pilot captured information on. The types of application captured should match the state’s Round 2 pilot proposal. Redeterminations are not required to be bucketed into different types of applications and will be listed as a separate ‘type of application’. Pilot guidance required that states report analysis on “Redeterminations” and, therefore, a row for redeterminations will be pre-populated. Do not create a new row for redeterminations. Enter information for redeterminations into the row already provided. Only add rows for the types of application captured that are not already listed. The number of rows in PETT will expand to accommodate as many types of applications the state captured.
- **# Reviewed:** Enter number of cases reviewed for each type of application. States that were approved to not review redeterminations should enter 0 in the pre-populated row. The number reviewed for each type of application should add up to the total number of cases reviewed reported in Section 3.
- **# in error:** Enter the number of cases in error for each type of application. This count should match the number of cases in error reported in Section 3 and Section 5 (i.e. do not report cases that were only deficient with no error).
- **\$ Improper payments:** Dollar value of improper payments identified for each type of application.
- **Provide a high-level analysis of the accuracy of eligibility determinations by type of application. Was one type of application more problematic than others?** States should provide a discussion of any trends or analysis relevant to the type of application. Briefly describe any findings that were directly related to the type of application. For any error trends or error findings that were associated with the type of application states should provide a description of the errors and the cause of errors. The state may also indicate that there were no apparent trends.
- **Corrective actions implemented focused on specific types of application:** States should provide a general description of any corrective actions implemented that were focused on a particular type of application or any corrective actions implemented to resolve trends or error findings associated with the type of application. If there were no corrective actions implemented relating to this particular measure, the state can indicate that in this field.



## **Section 18: Analysis by Channel (i.e. in person; telephone; online; mail; transferred)**

For Medicaid active, Medicaid negative, CHIP active and CHIP negative:

- **Please list channels captured:** States should list the channels (e.g., in person; telephone; online; mail; transferred) that the pilot captured information on. The channels captured should match the state’s Round 2 pilot proposal. Redeterminations are not required to be bucketed into different channels and will be listed as a separate ‘channel’. Pilot guidance required that states report analysis on “In Person”, “Online”, and “Redeterminations” and, therefore, those channels are pre-populated. Do not create new rows for these three channels. Enter information for in person, online, and redeterminations into the rows already provided. Only add rows for the channels captured that are not already listed. The number of rows in PETT will expand to accommodate as many channels as the state captured.
  - **# Reviewed:** Enter number of cases reviewed for each channel. States that were approved to not review a required channel should enter 0 in the pre-populated rows. The number reviewed for each channel should add up to the total number of cases reviewed reported in Section 3.
  - **# in error:** Enter the number of cases in error for each channel. This count should match the number of cases in error reported in Section 3 and Section 5 (i.e. do not report cases that were only deficient with no error).
  - **\$ Improper payments:** Dollar value of improper payments identified for each channel.
  - **Provide a high-level analysis of the accuracy of eligibility determinations by channel. Was one channel more problematic than others?** States should provide a discussion of any trends or analysis relevant to the channel. Briefly describe any findings that were directly related to the channel. For any error trends or error findings that were associated with the channel states should provide a description of the errors and the cause of errors. The state may also indicate that there were no apparent trends.
  - **Corrective actions implemented focused on specific channels:** States should provide a general description of any corrective actions implemented that were focused on a particular channel or any corrective actions implemented to resolve trends or error findings associated with the channel. If there were no corrective actions implemented relating to this particular measure, the state can indicate that in this field.



## **Section 19: Additional Analysis/Findings**

This section is intended to capture any additional information that can be gleaned from the pilot results. States are asked to provide information in each of the fields below. If the question/item is not relevant to the state’s pilot findings, please specify that in the field.

- **Pilot Findings Summary:** Provide a summary of your Round 2 pilot findings and corrective actions. This summary should provide a good high-level understanding of the major issues that were identified in the state and how those issues are being addressed. States can also include information about the state’s ACA implementation if it is applicable to their findings and compare results to Round 1.
- **For errors identified that may have impacted numerous cases, describe how your state handled non-sampled cases that may have been impacted. Did state follow up on these cases?**

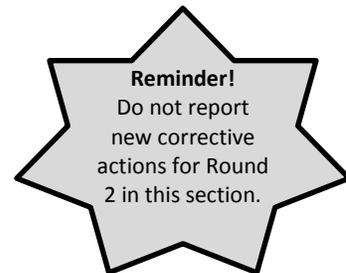
For example, if a state found that denial notices were not sent for any negative determinations made in a certain timeframe, did the state go back and send notices for all denials made in this timeframe (even if not sampled for the pilot)?

For example, if a state found that a caseworker consistently incorrectly applied income policy/procedure that resulted in numerous eligibility determination errors, did the state take a look at other determinations made by this caseworker that weren't sampled for the pilot?

- **Did the state observe any other trends in errors? If yes, please describe. Were the trends expected/unexpected?**
- **Were there any unexpected findings?**
- **How did the errors/deficiencies identified through the Round 2 pilot compare with those identified in the Round 1 pilot? What was different/similar about the pilot findings?**
- **Did your state identify any issues/areas where you'd like advice/information from other states or guidance/assistance from CMS?**
- **Include any additional analysis/findings/comments the state would like to report.**

### **Section 20: Updates on Round 1 Corrective Actions**

States are required to provide an update on and an evaluation of corrective actions as a result of Round 1 findings. States must list out corrective actions for continuing issues and resolved issues. The number of rows in PETT will expand to accommodate all actions. Note: this section is for updating CMS on Round 1 corrective actions and, therefore, states do not need to report on any new planned corrective actions for Round 2.



### **Continuing Round 1 Issues**

States must enter corrective actions implemented based on Round 1 findings for issues (i.e. root causes) that continued to be identified in Round 2 or that the state still knows to be a problem. If in sections 5 through 15 the state selected 'yes' for "Was this an issue in Round 1?", the issue is considered continuing and round 1 corrective actions should be included in this section. States should enter a separate row for each corrective action. States must provide the following information for each corrective action:



- **Corrective Action:** Provide a brief description of the action. This description should summarize the action that was included in Round 1 reporting.  
*Example: Implemented weekly caseworker webinars focusing on identified income related errors and policy and procedures related to income. The webinars include a post-test for caseworkers and results are sent to supervisors for review.*
- **Root Cause Addressed:** Provide a brief description of the root cause that the action was intended to address.  
*Example: Caseworkers incorrectly calculating income due to misunderstanding of new policies and lack of training.*
- **Root Cause Owner:** Select a general root cause owner from the drop down box. The drop down options are 'Caseworker' for issues due to caseworker action, 'Systems' for

issues due to systems issues, and ‘Other’ for any issues that do not fall into one of those two buckets.

- **Corrective Action Status:** Specify if the action is ongoing, pending, modified, or completed.
- **Completion Date:** Enter the date the state plans to complete the corrective action or the date it was completed. States can specify ‘ongoing’ for any ongoing corrective actions. *Example: Webinar training was implemented August 2014 and is now part of the state training and continuous education program. Therefore, this will be an ongoing corrective action.*
- **Evaluation:** Include an evaluation of the effectiveness of the corrective action. Define the methods and procedures used for evaluation purposes. For ongoing actions, evaluate the effectiveness the state has seen so far. *Example: The corrective action has been effective so far. Supervisors are noting most workers are obtaining 75% or higher on weekly post-tests which is an increase from previous lower scores.*
- **Impact on Round 2 (if any):** Describe the impact the action had on Round 2 results. *Example: Fewer caseworker errors relating to income were identified in Round 2, especially in the months following the weekly training.*

### **Resolved Round 1 Issues**

States must enter corrective actions implemented based on Round 1 findings for issues (i.e. root causes) that were resolved and were not identified in round 2. These are actions the state took which fixed processes and prevented similar errors from occurring again (*Example: In Round 1 a state found that the system was not sending notices for certain denial reason codes. The state made programming updates in a July 2014 systems release. Notices were sent for all denial reason codes in Round 2*). States should enter a separate row for each action. States must provide the following information for each issue resolved by corrective action:

- **Corrective Action:** Provide a brief description of the action. This description should summarize the action that was included in Round 1 reporting.
- **Root Cause addressed:** Provide a brief description of the root cause that the action was intended to address.
- **Root Cause Owner:** Select a general root cause owner from the drop down box. The drop down options are ‘Caseworker’ for issues due to caseworker action, ‘Systems’ for issues due to systems issues, and ‘Other’ for any issues that do not fall into one of those two buckets.
- **Corrective Action Status:** Specify if the action is ongoing, pending, modified, or completed.
- **Completion date:** Enter the date the state plans to complete the corrective action or the date it was completed. States can specify ‘ongoing’ for any ongoing corrective actions.
- **Evaluation:** Include an evaluation of the effectiveness of the corrective action. Define the methods and procedures used for evaluation purposes. For ongoing actions, evaluate the effectiveness the state has seen so far.

- **Impact on Round 2 (if any):** Describe the impact the action had on the Round 2 results.

**ALERT! Change from Round 1**

States are required to provide an update on and an evaluation of corrective actions reported in Round 1 for both continuing issues and resolved issues.

**Incorrect Round 1 Eligibility Determinations**

Check ‘Yes’ if the state corrected all Round 1 cases for which an incorrect eligibility determination was made and ‘no’ if the state did not. Correcting cases means reopening cases that should have been eligible and terminating cases by sending appropriate notification that includes appeal rights information for cases that should not have been eligible. Did the state make the situation correct? This was not a requirement in round 1, but indicate ‘yes’ or ‘no’ if state completed these corrections.

**Section 21: Pilot Feedback**

CMS asks that states provide candid feedback on the round 2 pilot so the pilot process can be improved in future rounds. States are asked to answer the following questions:

1. **What was the most useful information you gained from the pilot? What information is most likely to help you improve systems, processes, policies, etc.?**
2. **Is there any information you wish you'd gained from this pilot?**
3. **What were your thoughts on the overall pilot process? What factors would have made the pilot process easier for the State?**
4. **Are there any elements this pilot did not review that would be worth including in future pilots?**
5. **Did you identify any issues that would be beneficial to focus on in future pilots?**
6. **Provide any other recommendations for improving the eligibility review pilots.**

**Questions**

Please submit all questions to [FY2014-2016EligibilityPilots@cms.hhs.gov](mailto:FY2014-2016EligibilityPilots@cms.hhs.gov).