



Medicaid and CHIP Eligibility Pilot Round 1 Guidance FAQs

The majority of questions CMS has received from states are regarding areas in the guidance that are not prescriptive about how states need to structure their pilots. Many states are asking whether certain things they'd like to implement would be acceptable to CMS. Please note that CMS purposefully made these pilots less rigid than the PERM review to give states flexibility. The guidance outlines the minimum requirements. CMS is asking that, through the pilot proposals, states document how they are structuring the pilots and explain why. CMS will check that minimum requirements are met. CMS encourages states to think outside of the typical PERM and MEQC measurements and design pilots in a way that gets states the most useful information.

Other frequently asked questions about the Medicaid and CHIP eligibility review pilot guidance are discussed below:

Q1: What is the purpose of the test cases? What benefit will states/CMS get from running these test cases?

A1: The Medicaid and CHIP eligibility review pilots include evaluation of case worker action and the automated process for eligibility. The purpose of the test cases is for CMS to effectively evaluate the state's automated processes. The 2014 guidelines transition to a new streamlined eligibility process, in which the states must rely primarily on electronic data resources, and automated rules engines. Application, redeterminations, and renewals will now be conducted through an automated process; therefore CMS is requiring states conduct these test cases to ensure the systems are coded appropriately, and that they provide accurate eligibility determinations. Through this test case process, states will have the opportunity to promptly identify issues and problems related to the automated process. CMS is providing states with the test cases as an accelerator for the PERM pilot process and to ensure a consistent state-by-state approach.

Details on the distribution of test cases to the states are forthcoming.

Q2: Should states sample at the individual level or the household level? How does CMS define a determination?

A2: States may choose to sample at either the individual level or the household level. States should specify which level they are sampling at in the pilot plan proposal under the "Describe how the state will develop the sampling frame" field. A determination refers to the decision of eligibility based on an individual. If sampling at the household level, states must review each individual determination.

Q3: What does CMS consider an administrative transfer?

A3: An administrative transfer is the facilitating of enrollment through administrative transfers of eligibility data from other programs (i.e. using income data from SNAP to renew Medicaid eligibility), as outlined in the CMS targeted enrollment strategies guidance provided on May 17, 2013, (available at <http://www.medicaid.gov/Federal-Policy-Guidance/downloads/SHO-13-003.pdf>); specifically targeted enrollment strategy 3. The states must have a CMS approved targeted enrollment strategy to exclude these cases.

Q4: My state is an FFM determination state. Should decisions made by the FFM be included in the sampling frame?

A4: FFM determination states should **exclude** from the sampling frame any cases in which the eligibility determination is based on the delegated authority of the FFM. These states must include FFM determinations as an additional exclusion in their pilot proposals.

To review caseworker action, FFM determination states should sample from state determinations for recipients that applied directly to the state. This should be clear in the state's sampling frame description in the pilot proposal.

Q5: Do the pilots allow for oversampling for dropped cases?

A5: Yes; the state can describe their oversampling method for dropped cases in the pilot proposal.

Q6: How does CMS define negative cases?

A6: The exact definition of a negative case could be state-specific but in general CMS considers a negative case as a MAGI based determination that denied a new applicant enrollment in Medicaid or CHIP. Negative cases can also be applicants who are provisionally approved because their reported income does not match with cross-match figures and the applicant does not provide the requested information and are then terminated. The state can define their negative cases and provide a description in the pilot proposal.

Q7: How exact do Medicaid and CHIP sample size proportions need to be? For example, since determinations by program can vary month to month do we need to set different distributions per month?

A7: The sample size distribution between Medicaid and CHIP should be approximately proportionate to the number of determinations made for each program. CMS asks that states describe how they reached the distribution in their pilot proposal and will just check for reasonableness. If states are experiencing difficulty determining a sample size per program please email FY2014-2016EligibilityPilots@cms.hhs.gov.

Q8: My state is not implementing MAGI early or expanding Medicaid. Won't most of my MAGI determinations from the first three months be negative cases?

A8: Regardless of a state's choice to implement MAGI early or expand Medicaid, states should still be making MAGI determinations in October – December 2013 with enrollment effective dates of January 1, 2014.

Q9: If a state has automated MAGI decisions, what type of caseworker action would the state review?

A9: The state would review any action performed by the caseworker that pertains to eligibility. A type of caseworker review can include discrepancies identified in the automated process. For example the state's system identifies a discrepancy in the application. The application would be pulled from the system and the caseworker would review/clear the application. After the caseworker reviews/clears the application, it would be entered back into the automated process. The state would review the actions the caseworker took while reviewing/clearing the application. The state can decide which caseworker action they plan to review and provide a description in the pilot proposal.

Q10: Is a case considered to be an error if the reviewer discovers the caseworker took a wrong action? Or does the issue need to impact overall program eligibility to be considered an error?

A10: States have flexibility in determining the identification and classification of errors and should describe their approach in their pilot proposal (please keep in mind that utilizing a 'technical error' category as in PERM is certainly an option). States should keep in mind that they will need to report on all analysis and discussion questions listed in the guidance.

Q11: Will CMS provide guidelines for error codes?

A11: States have flexibility in developing a process for identifying and classifying errors. A detailed description of this review process should be included in the State's pilot proposal. States can use existing PERM and MEQC error codes as an example if states don't want to use their own classification.

Q12: If MEQC staff is conducting the pilot, can they review CHIP cases in the pilot?

A12: The state's sample must consist of CHIP determinations. The state may determine which staff may conduct the review of CHIP cases (MEQC staff is an allowable option).

Q13: How does CMS define "independence" when requiring the staff conducting pilot reviews to be independent from the staff making eligibility determinations?

A13: The agency and personnel responsible for the development, direction, implementation and evaluation of the eligibility reviews must be functionally and physically separate from the agency and personnel that are conducting the eligibility review pilots. The staff responsible for

eligibility policy and making eligibility determinations must not report to the same direct supervisor as the staff conducting the eligibility pilots. States should describe why the agencies are independent in the “State agency responsible for conducting review” section of the pilot proposal.

Q14: What happens to the MEQC maintenance of effort?

A14: The FY2014-2016 Eligibility Review Pilots will be replacing MEQC for FY2014-2016; therefore the maintenance of effort requirement under MEQC is not a requirement for the eligibility review pilots.