



Briefing Note

RETHINKING RECERTIFICATION: KEEPING ELIGIBLE INDIVIDUALS ENROLLED IN NEW YORK'S PUBLIC HEALTH INSURANCE PROGRAMS

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Paperwork can be hazardous to your health. According to new research, New York State's laborious recertification process for public health insurance helps keep a large number of New Yorkers uninsured, even though they are eligible for public coverage. Many eligible individuals inappropriately lose coverage from the state's Medicaid, Family Health Plus (FHP), or Child Health Plus (CHP) programs because they fail to complete required documentation—not because changes in their economic or family circumstances make them ineligible for continued coverage.

In the Commonwealth Fund analysis *Rethinking Recertification: Keeping Eligible Individuals Enrolled in New York's Public Health Insurance Programs*, researchers Karen Lipson, Eliot Fishman, Patricia Boozang, and Deborah Bachrach report that the current review processes are not needed to ensure that people do not retain coverage for which they are no longer eligible. Only a fraction (less than 7%) of CHP B beneficiaries are ineligible for coverage at the time of recertification, based on income and family size.

What's more, these administrative processes require significant resources from government, health plans, and community-based organizations. Nearly \$70 in health plan staff costs are needed to recertify each CHP enrollee, in addition to communication, transportation, printing, and postage expenses. And as other research has shown, people who experience constant interruptions in their health coverage often forgo needed medical care.

The study also found that families that did not complete the recertification process had significantly lower incomes than those that did. "This suggests that the complexity of the recertification process has a disproportionate impact on poorer families—the very families most

likely to continue to be eligible for subsidized coverage," Lipson notes.

Lipson and her coauthors point to the promising model of "passive" recertification, which has been adopted by several states. Under this method, enrollees in Medicaid or the State Children's Health Insurance Program receive a letter each year that includes their previous eligibility information and a telephone number to call if their economic or family circumstances have changed. This system is sanctioned by the federal government, provided that states can verify beneficiaries' residence.

The authors recommend that New York's insurance programs require a full eligibility review every other year, rather than every year. In alternating years, the state would send beneficiaries a postcard requesting their current address and confirmation of the continuing need for coverage. The state would also rely on such information sources as state unemployment tax and Internal Revenue Service databases to confirm enrollees' eligibility. This could save the state, health plans, and community-based organizations time and money—as well as provide a more stable source of coverage for thousands of children and adults.

Facts and Figures

- The involuntary disenrollment rate for New York's Medicaid and CHP B programs is 50 percent.
- Less than 7 percent of CHP B enrollees are ineligible for coverage at the time of recertification.
- In 2001, 410,000 uninsured children and 870,000 uninsured adults were eligible for, but not enrolled in, Medicaid, FHP, or CHP coverage.