



Transforming Medicaid Eligibility Systems for Empathy at the Edge

**HOW STATE MEDICAID AGENCIES CAN EXPEDITE
EX PARTE RENEWALS AND IMPROVE CLIENT SERVICE.**





State Medicaid agencies occupy a unique position. Over the past two decades, Medicaid directors have managed drastic changes either through policy matters like the enactment of the [Affordable Care Act \(ACA\)](#) or crises like the COVID-19 Pandemic Health Emergency (PHE). Now, leaders and caseworkers are facing one of the most daunting tasks yet — with the end of continuous enrollment - verifying the income and eligibility of over 93 million beneficiaries.

“It’s fair to say that this is their number one priority. It’s not only the number one priority, but it’s also probably taking up a majority of their bandwidth and resources,” said Gabe Roberts, former Medicaid Director, now health care consultant and Senior Strategic Advisor for Sellers Dorsey.

As case managers focus on verifying the income and eligibility of beneficiaries, many are looking to build upon existing frameworks set forth by the ACA. Enacted into law on March 23, 2010, the ACA directs agencies to first pursue *ex parte* renewals. If an automatic renewal based on existing information is not possible, state caseworkers must directly reach out to the head of household.

At the start of the PHE Unwinding, around [7.1 million individuals](#) were scheduled for renewal in July of 2023. Of these individuals, 16.5% were disenrolled due to procedural reasons, accounting for 70% of all disenrollments. Procedural disenrollments occur when the state cannot verify an individual’s ongoing eligibility at renewal. The main concern with procedural disenrollments is that many people losing Medicaid for these paperwork reasons may still be eligible and do not have another source of health coverage.

This was cause for concern, as per a letter released in August 2023, the [Centers for Medicare & Medicaid Services \(CMS\) reminded state directors](#) that failure to identify or address issues of noncompliance may result in states having to submit corrective action plans or be subject to civil penalties such as monetary damages or loss of Federal Medical Assistance Percentage (FMAP) funding. Since the release of this letter, [30 states](#) have worked to reinstate coverage for [approximately 500,000 individuals](#).

While caseworkers strive to enhance eligibility determination processes and outcomes, state Medicaid leaders can and should look to supplement public information such as quarterly



state Department of Labor reports with third-party data sources like The Work Number from Equifax.

“Stopping the eligibility process to ask for more information adds a lot of friction. It causes delays and can actually increase the likelihood of errors when you touch a case multiple times as case workers set it aside and pick it back up. Having The Work Number as part of that process is a real advantage, because you have current data at the first touch of a case, and receive instantaneous responses to help make decisions quickly on that case,” said Mike Bromley, SVP & GM, Government Solutions for Equifax, Inc.

As Medicaid directors look to resolve issues surrounding stale income data, The Work Number equips teams with current income and employment data they can use to possibly help improve *ex parte* renewal rates and decrease procedural terminations as per CMS’ August letter.

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Mike Bromley | SVP & GM, Government Solutions for Equifax, Inc.

Case study: Georgia invests in modernization to create a healthier tomorrow

Situation: In 1992, the State of Georgia processed benefits applications by hand, according to then Deputy Commissioner for Eligibility Jon Anderson, now president and CEO of Coy Forrest Strategy and Innovation, LLC. This was a lengthy, cumbersome process prone to manual errors.

“We did everything we could by hand. Everything except benefit issuance was a manual process. Verification gathering could take a minimum of 14 days for the customer to return the information to us,” Anderson said. “Then, over the years, we started adding technology to streamline our processes while at the same time, we were losing case managers. We were losing staff throughout the years, and [so] we were trying to find ways to increase real time data to increase worker efficiency.”

Solution: For the State of Georgia, this meant investing in The Work Number and automated data tools.

“Georgia started using The Work Number in 2006 to help us address quality and timeliness in our decision-making. Over the years we continued to streamline our processes from real-time manual verifications to a full integration of The Work Number into our workflows” said Anderson.

Outcome: With the help of commercial data solutions, system integrations, and Robotic Process Automation (RPA), Anderson and the State of Georgia effectively shifted the burden of eligibility from employees and beneficiaries onto the system.

“We were able to reduce the amount of time for wage verification and cut that 14-day response time into something instant because we were able to get that data in real-time, within the eligibility system,” Anderson said.

How Commercial Data Solutions Help Agencies Fill in the Gaps

Commercial data solutions, like The Work Number, help state Medicaid staff incorporate current data instantly into the eligibility determination process. This can help agencies streamline the application process, increase *ex parte* renewals and decrease unnecessary procedural terminations by creating redundancies within an agency's data environment.

Public data sources available to the case workers such as state quarterly wage data are often out of date. Where The Work Number differs from these data sources is in the currency of the data. Unlike public sources, data on The Work Number database is current as of the last time the participating employer or payroll provider processes payroll, while a government data source's information may be anywhere from [30 to 120 days old](#).

Outdated data complicates matters for beneficiaries and employees as it can lead to improper rejections and lengthy timelines for decisions. For example, let's say a beneficiary is mistakenly found ineligible for Medicaid services. That beneficiary *could* apply for a hearing, but this puts the burden on the individual to help verify his or her Medicaid eligibility. It may go without saying, but beneficiaries should not have to jump through hoops to verify income and eligibility as this erodes trust and creates friction in the system.

"Having access to commercial data sources is a critical component across the eligibility process," Bromley said. "Whether it's helping to verify income, validate addresses or confirm financial assets, having commercial data makes the process go much smoother. There's less friction for the consumer, it's more efficient for the agency, and it helps the overall process of providing services to the public."

For low- and moderate-income families who rely on Medicaid and Children's Health Insurance Program (CHIP) services, there must



be investments in systems to help support the mission of delivering empathetic services from the first point of contact.

Several investments that agencies are currently looking at to help build these more empathetic systems are capabilities closely related to technologies like automation, commercial data, artificial intelligence (AI), and machine learning.

“What you’re seeing is a lot of states are keying into machine learning opportunities where you can automate certain parts of the more rote eligibility, typing and data entry pieces for case managers and caseworkers,” Roberts said. “You can leverage machine learning with automated data to really narrow and focus your staff on those hard calls, to get folks through the process as quickly as possible with a good decision with integrity, whether that’s a reenrollment or a disenrollment and transfer.”

Each potential investment builds upon existing data frameworks set forth by state and local leaders, and works to give local Medicaid teams a “leg up” in terms of decision-making.

With the most current information easily accessible to caseworkers, teams can make more effective decisions, so that agencies can seek to increase *ex parte* rates, decrease the number of mailings, manual casework and procedural terminations.

“Using commercial data that’s available in real-time has cut down the amount of requests that we had to make for customers to verify income,” Anderson said. “It’s also available to support and substantiate audits while helping customers get their benefits faster.”

Equifax Leadership: Leverage Commercial Data to Improve Eligibility Determination Processes

Automation and instant access to current data can help alleviate some of the burdens put on state Medicaid programs, this is where Equifax can help.

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Jon Anderson | President and CEO of Coy Forrest Strategy and Innovation, LLC

Our income and employment verification services use The Work Number database, the largest commercial source of consolidated income and employment information in the U.S. This data is directly contributed by small, medium, and large employers nationwide, representing more than two-thirds of the U.S. non-farm payroll and now also including pension payment records when available. This is accomplished through our commitment of being an industry-leading provider of secure verification solutions and our strong relationship with employers, payroll providers, and most federal government civilian employers.

The Work Number database offers a unique ability to access current income and employment information faster than manual verification processes or from older, stale data sources via system-to-system integration or via our online service. Plus, case workers may be able to view additional helpful information that other data sources may not report including, for example, employer insurance coverage, hours worked, and income-by-pay-period as and if such information is reported by the employer.

With *ex parte* and automated renewals, states need to first go through the process of trying to renew cases in an automated way with the data available to them. The more data sources used in this process, the more agencies can improve their *ex parte* renewal rate, which in turn, helps eligible individuals retain coverage and minimizes gaps



in coverage that can increase Medicaid costs over time. Plus with successful *ex parte* renewals, it frees the limited case worker staff to focus on the more complex cases.

Investments made today in next-generation capabilities like RPA, machine learning, application programming interfaces and commercial data sources like The Work Number, will deliver benefits to tomorrow's beneficiaries and state Medicaid staff. For example, by automating certain parts of the eligibility determination and *ex parte* process, caseworkers can expedite applications before Medicaid coverage gets disrupted.

At Equifax we can help your agency break through its backlog, so your staff can focus on those hard calls and expedite applications, whether that's an enrollment, re-enrollment or a disenrollment and transfer to another healthcare coverage program allowing for continuity of care.

Discover how your agency can streamline benefits delivery by using the Work Number.

