

Is Snail Mail the Key to Modernizing Enrollment?

Monday, October 7, 2013, 9:30 am

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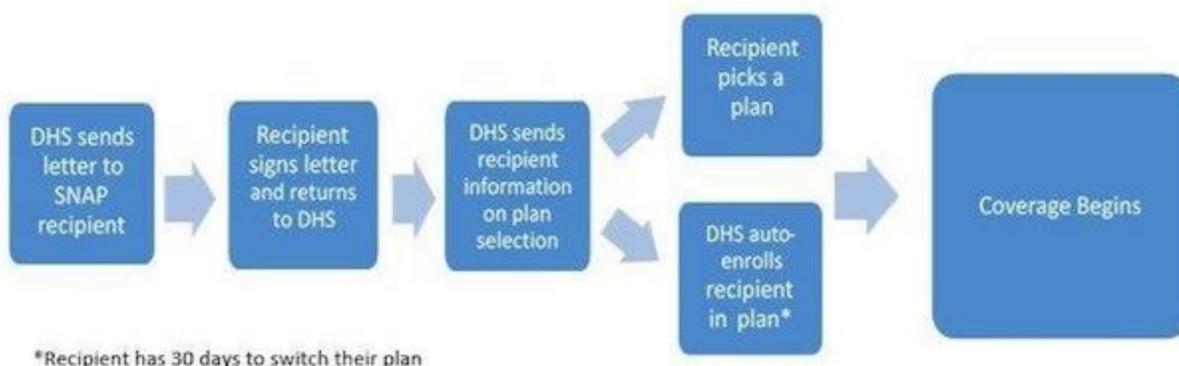
As we've [highlighted before](#), states have had the [option](#) since May of this year to use data from their Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) to connect SNAP recipients to Medicaid. Arkansas is one of four states taking advantage of this new opportunity to simplify how thousands of Arkansans enroll in coverage. On a recent visit to Arkansas, we learned more about the state's plans.

How is Arkansas using SNAP data to conduct outreach?

The state identified about 132,000 SNAP households that were income-eligible for the [Medicaid private coverage option](#) (private health insurance paid for with Medicaid funds), which will be [available beginning January 1, 2014](#) for low-income consumers below 138% of the federal poverty level (FPL) (or about \$32,500 for a family of four). These households were sent notification letters in early September about the new options for health coverage. The letters reached about 145,000 adults.

Figure One below shows, step-by-step, how the Arkansas Department of Human Services (DHS)—the agency running the state Medicaid program—notified eligible consumers about their new coverage options. Once the consumer receives the letter, they must sign it and send it back to DHS. Once DHS receives the letter, an approval letter with information about picking a plan is mailed back to the consumer. At this point, if the consumer does not choose a plan, they will be auto-enrolled in a plan. This aspect is key to connecting consumers to coverage, because consumer follow-up may be more limited for this step. Consumers have 30 days to switch their plan after they are auto-enrolled.

Figure One:



So, how is the process playing out?

- The response rate thus far has been very encouraging, with over 55,000 adults—or about 36 percent of those who were mailed notifications—returning the letter stating they wanted to enroll in the Medicaid private coverage option. This is pretty amazing, considering typical direct mail response rates hover at about **four percent!** This response rate likely shows that Arkansas consumers are eager to sign up for coverage and that this simple approach has helped them connect to it.

Why is this such a promising best practice?

- It is **estimated** that 97 percent of SNAP households have incomes below 138 percent of FPL. Targeted outreach can be very effective in Medicaid expansion states, where virtually all SNAP recipients will be eligible for Medicaid. Although Medicaid expansion in Arkansas looks different from Medicaid expansion in other states, households with income up to 138 percent of FPL are still eligible for coverage.
- Instead of requiring these households to apply for coverage and generating additional paperwork for the Medicaid agency to process, the state can turn the process on its head by reaching out to those who are most likely to be eligible and fast-tracking enrollment for those who want coverage. Not only does this make the process easier for the consumer, it **minimizes the burden on the Medicaid agency by saving them time and money.**
- For non-expansion states, it can also be effective, though the segment of people eligible for Medicaid in those states will be smaller.

What can other states learn from Arkansas?

- Though early results from Arkansas show that targeted outreach to SNAP recipients is a highly effective way to reach consumers and get them enrolled in available coverage options, the approach does require consumers to take action in order for it to work. States that want to maximize enrollment and eliminate unnecessary effort by the Medicaid agency should reduce the amount of effort that is required by the consumer. One such approach is for states to send SNAP enrollees a Medicaid card with their SNAP enrollment or recertification notification. To complete the enrollment process, the SNAP recipient would then simply have to activate the card by phone.
- It's not too late! States can take advantage of this streamlined enrollment option through 2015.
- What's more, since Medicaid is open for enrollment year-round, a state can roll this option out at any time!