

# **The Target Efficiency of On-Line Medicaid/CHIP Enrollment: An Evaluation of Wisconsin's ACCESS Internet Portal**

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## **Abstract**

### **Research Objective**

This issue brief provides an empirical examination of which socioeconomic subgroups are likely to apply via an online system, Wisconsin's ACCESS, versus traditional means. We also examine the relative "target efficiency" of the online system – Is it more or less likely to attract applicants who are ultimately determined to be eligible for public insurance? Finally, we examine the extent to which ACCESS facilitates application and enrollment spillovers from health insurance programs into other social programs.

### **Population Studied**

The analysis was based on a representative sample of 33,569 BadgerCare Plus applications for family coverage. Application data were merged with socioeconomic measures available in the Wisconsin CARES system, an administrative database. The study period ran from January 2008-November 2009.

### **Study Design**

We examined the distribution of applicant socioeconomic status stratified by four application methods: ACCESS (on-line), mail-in, telephone, and in-person. We also calculated the association between application method and the likelihood of successfully enrolling in BadgerCare Plus. Finally, we calculated estimates of the enrollment spillover induced by each application method into FoodShare, the State's food assistance program.

### **Principal Findings**

Slightly less than 2/3 (62%) of sample applicants applied via ACCESS, while approximately 17% applied by mail-in or walk-in methods and 4% by phone. Lower-income applicants, rural, and non-English-speaking were more likely to utilize methods other than ACCESS. Across enrollment modes, ACCESS applicants were the least likely to be determined eligible for coverage (69% for ACCESS, 87% for phone, 83% for walk-in, and 77% for mail-in). ACCESS induced the highest number of spillover applications into FoodShare; however, a lower percentage of these spillover applications were ultimately deemed eligible relative to other application methods. Overall, the target efficiency of ACCESS was the lowest among all application methods.

### **Conclusions**

The easing of application and administrative burdens, in this case through on-line application systems, often leads to reduced target efficiency. As well, as states increasingly rely on online enrollment systems, they will face challenges to assure program take-up by lower-income subgroups.

### **Implications for Policy, Delivery or Practice**

The concerns associated with the relatively lower target efficiency of online systems depend upon the marginal costs associated with processing additional applications. If most online applications can be handled quickly and cheaply through automated systems, then the decline in target efficiency may be offset by the gains in program take-up and the encouragement of application spillover. If, however, the marginal cost associated with each applicant is high, more robust pre-application screens may be needed to deter ineligible on-line application submissions.

## **Introduction**

States are building automated online processes to facilitate enrollment in Medicaid and the new health insurance exchanges under the Patient Protection and Affordable Care Act (ACA). Wisconsin's build-out of ACCESS, its online system for application for health coverage and other public benefits, happened concurrently with a large-scale of health coverage eligibility through BadgerCare Plus, a combined Medicaid and CHIP program. ACCESS has since received attention for its apparent success in enrolling users into programs, for its relative ease of use, and for its administrative simplifications.<sup>1,2</sup>

The ACCESS web-based, self-service tool allows applicants to find out whether they may be eligible for BadgerCare Plus as well as FoodShare (Food Stamps) and other assistance. ACCESS users can also apply for benefits, check their benefits, renew their benefits or check their renewal date, and report changes to keep their eligibility current. The system's processes and functionality have been well-described in detail elsewhere.<sup>3</sup>

Wisconsin's Department of Health Services (DHS) reports that more than 60% of all BadgerCare Plus applications now come through ACCESS. Childless adult applicants for BadgerCare Plus Core Plan can only be made on ACCESS or by phone, and more than 80% of these applications come through ACCESS. Wisconsin's Department of Health Services now refers to ACCESS as "Customers' Preferred Application Channel" over mail-in, walk-in, or telephone applications for health coverage. The ACCESS platform has also been adopted by other States, including New York, Georgia, Colorado, New Mexico, and Michigan.

A recent study in California reports considerable increases in Medicaid take-up associated with technology-based enrollment systems, while suggesting that non-technological approaches may help identify harder-to-reach populations.<sup>4</sup> Wisconsin's experience with populations beyond traditional Medicaid eligibility also offers lessons about the significant potential benefits and limitations of such systems, and can help guide other states' efforts at adoption and application to national ACA coverage expansions.

## **Data and Methods**

This study analyzed administrative data from BadgerCare Plus, Wisconsin's combined Medicaid/SCHIP program. The analysis is based on a representative sample of 33,569 BadgerCare Plus applications for family coverage pulled by Deloitte, Wisconsin's contracted management services vendor.<sup>5</sup>

Application data were merged with socioeconomic measures available in the Wisconsin CARES system, an administrative database. Data for the months January 2008-November 2009 were pooled for the analysis. We examined the distribution of applicant income, gender, urban/rural residence, and primary language, stratified by four application methods: ACCESS, mail-in, telephone, and in-person. We also calculated the association between application method and the likelihood of successfully enrolling in BadgerCare Plus. We then calculated estimates of the enrollment spillover induced by each application method into FoodShare, the State's food assistance program, as detailed in the below box.

## Calculating Enrollment Spillovers between BadgerCare Plus and FoodShare

We decomposed the association between BC+ application method and likelihood of enrolling in FoodShare into two component influences: *application spillover* and *eligible spillover*. The term “application spillover” refers to the percentage of all BC+ applicants who also *apply* for FoodShare. “Eligible spillover” refers to the percentage of application spillover that is ultimately determined eligible for FoodShare.

*Application Spillover* is a reflection of the extent to which a method promotes multi-program application. *Eligible Spillover* is a reflection of the “quality” of the application spillover induced by a method.

*Enrollment spillover* combines the concepts of application spillover and eligible spillover, and refers to the percentage of all BC+ applicants who both apply for and are ultimately enrolled in FoodShare. The relationship between the three is:

$$\text{Enrollment Spillover} = \text{Application Spillover} * \text{Eligible Spillover}$$

Hypothetical example: 100 applicants apply for BC+ using ACCESS

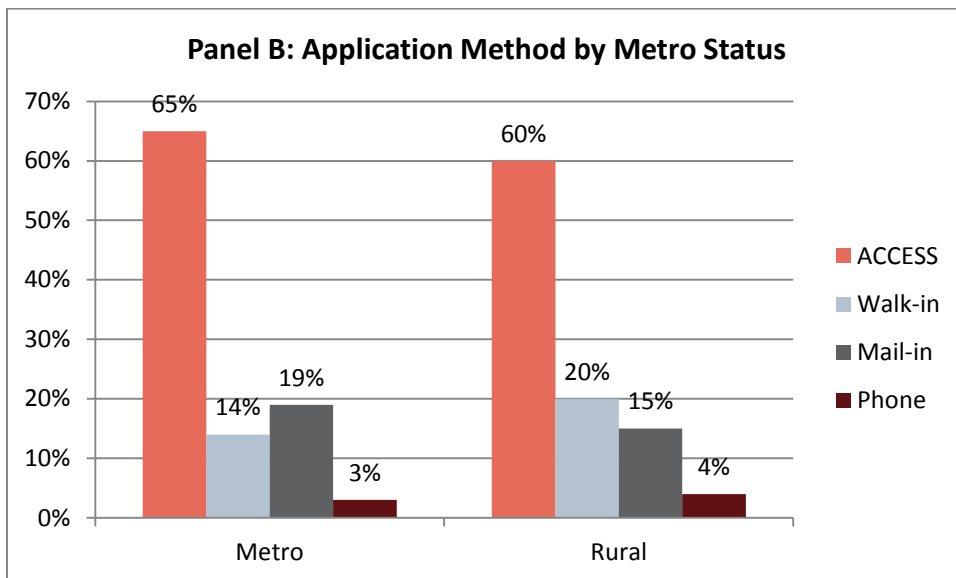
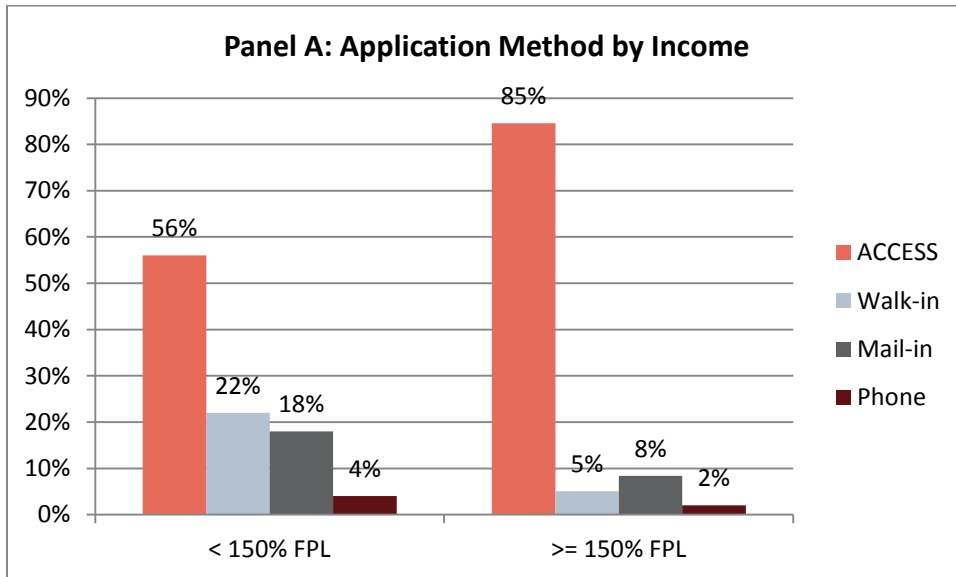
- 50 also apply for FoodShare
- 25 of these applicants are determined eligible for FoodShare

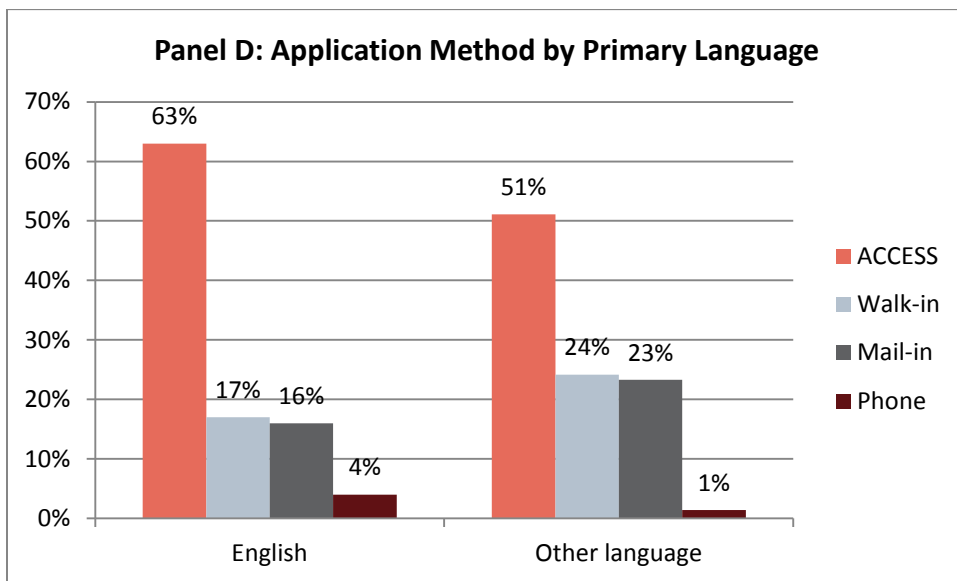
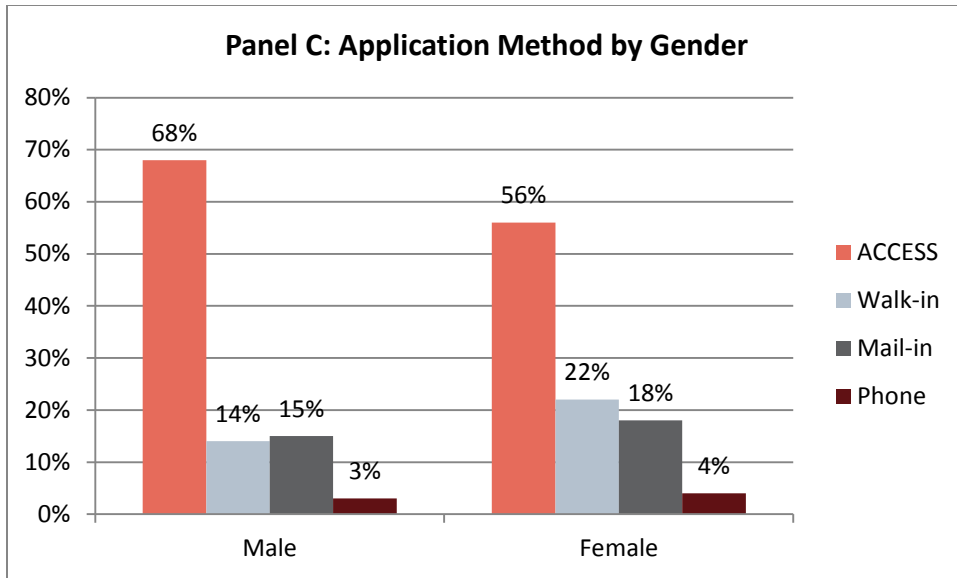
$$\text{Application spillover for ACCESS} = 50/100 = 50\%$$

## Results

Slightly less than 2/3 (62%) of sample applicants applied via ACCESS, while approximately 17% applied by mail-in or walk-in methods and 4% by phone. The choice of application method varied significantly among various demographic groups, with ACCESS users exhibiting higher incomes. Figure 1 (Panels A-D) displays socioeconomic characteristics of BC+ applicants by application method.

Figure 1





Specific findings include:

- Among income groups, ACCESS is much more readily utilized by persons above 150% FPL (>80% versus 56%), while persons below 150% FPL favor walk-in more heavily (22% for < 150% FPL versus 5% for ≥ 150% FPL)
- Those in metropolitan areas used ACCESS more (65%), and in rural areas less (60%). This holds as well for mail-in methods. However, metropolitan applicants use walk-in methods less (14%) than rural applicants (20%).
- Women use ACCESS less (56%) and men use it more (68%). Women use walk-in (22%) more than men (15%).

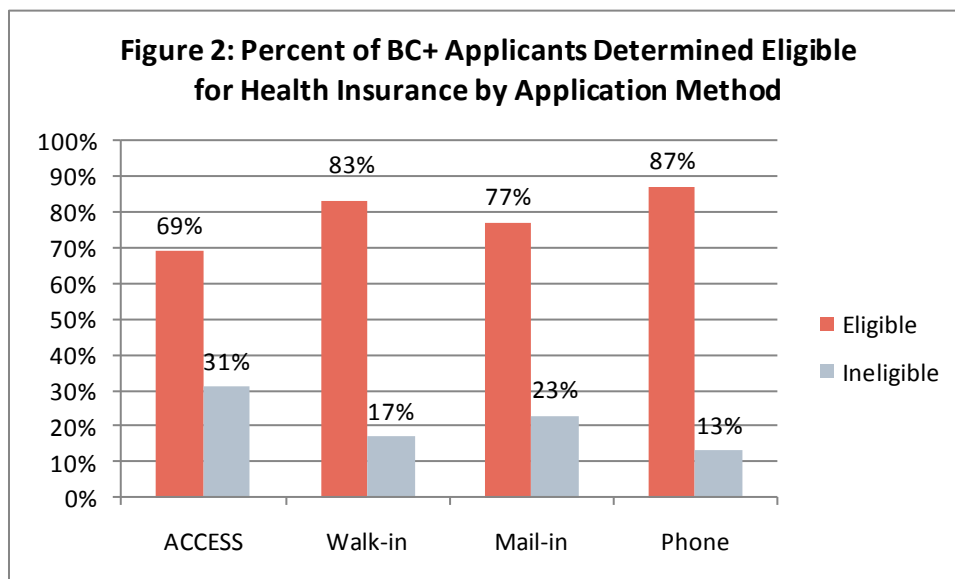
- Those who do not speak English as a primary language use ACCESS less and use mail-in and walk-in more (50% of applicants primarily speaking a language besides English use ACCESS versus 63% of applicants with English as a primary language)

The target efficiency of ACCESS – the proportion enrolled relative to the proportion of those who applied -- was lower than that of other methods (Figure 2). Across enrollment modes, ACCESS applicants were the least likely to be determined eligible for coverage (69% versus 87% for phone, 83% for walk-in, and 77% for mail-in).

Note: The “leaks in the bucket” between application and enrollment may reflect actual eligibility status of an applicant, or a glitch in the application process that impedes realization of eligibility. Indeed, beyond an applicant’s income and insurance status, a number of factors affect the rate of approval of BadgerCare Plus applications via any method. Approval depends on enrollees’ follow-through with application requirements, provision of needed documentation, submittal of premium payments, and proper system verification of supplied information.

The Wisconsin Department of Health Services reports, for example, that online applications are twice as likely as other applications to be denied for lack of verification. Verifications pose at least two special challenges to online applications. First, many verification requirements involve the manual transfer of a paper document, which is a significant departure from the ease and convenience of applying online. In addition, the system does not know at the time of application exactly which items must be verified; the precise verification needs can only be identified after the worker has started to process the application.

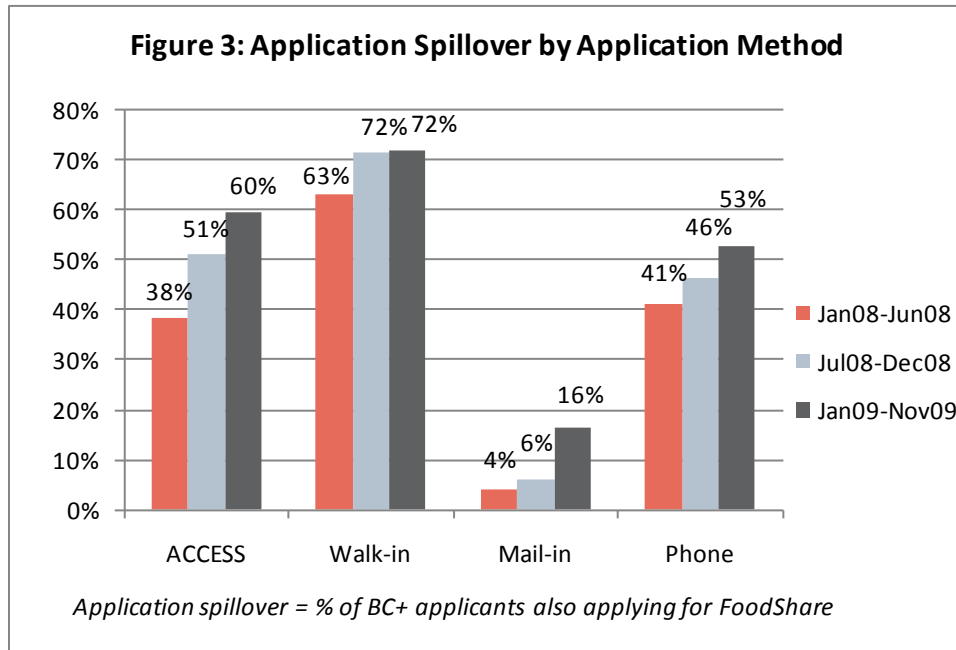
Our data did not permit drawing a distinction between an incomplete application and a complete but ineligible application. This study simply indicates that ACCESS applications are less likely than other application methods to result in an approval for benefits.



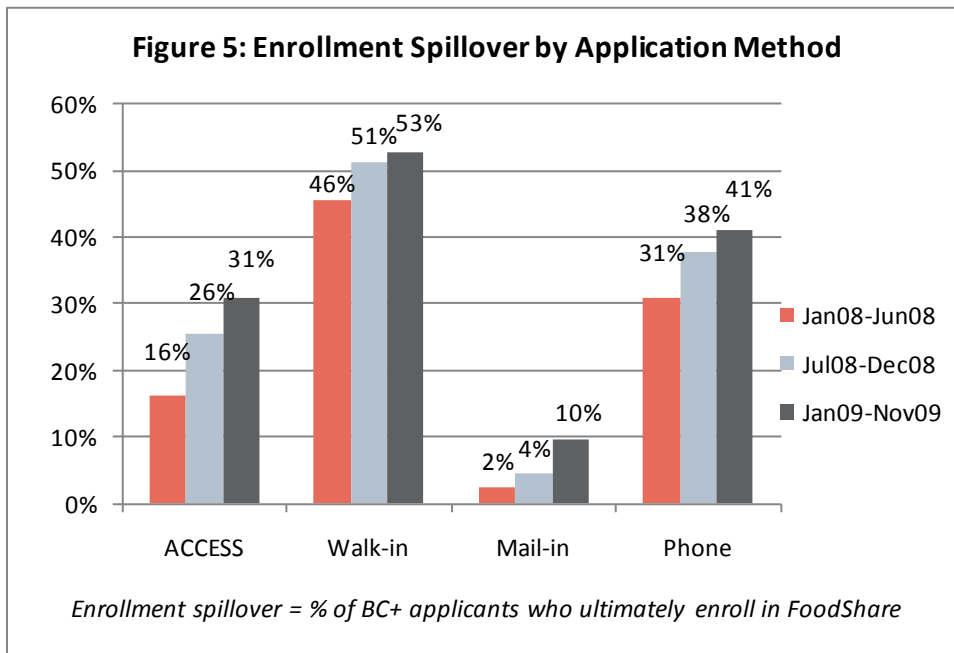
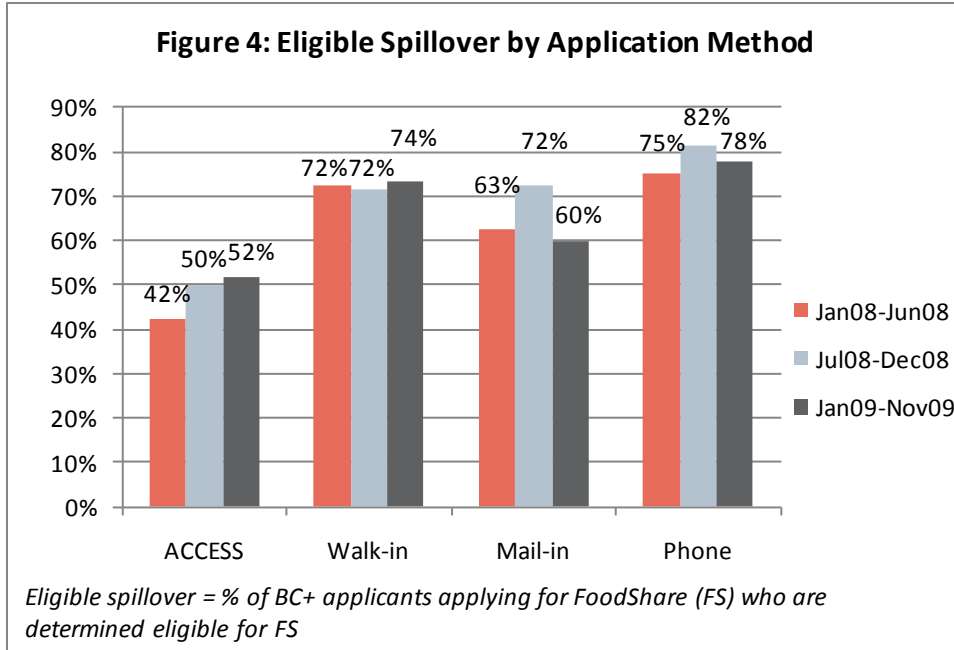
### Spillover to Other Programs

Figure 3 demonstrates the growth in application spillover across methods over the study period. We calculated spillover for three distinct time periods: January 2008-June 2008, during which major eligibility expansions and targeted outreach initiatives were launched; July 2008-December 2008, during which the economy entered into the recent sharp recession; and January 2009-November 2009, during which the effects of the expansions and the economic downturn continued to grow.

Among application methods, walk-in consistently had the highest levels of application spillover (72% between January 2009-November 2009), with ACCESS and phone also witnessing substantial spillover (60% and 53% between January 2009-November 2009, respectively). In contrast, there was very little application spillover seen for mail-in applications (16% between January 2009-November 2009). Application spillover grew over the study period for all enrollment methods and the most marked increase was seen among ACCESS users.



Again, with regard to target efficiency, ACCESS appears to attract many applicants who are not ultimately determined eligible for benefits (Figure 4). That is, the online method has effectively increased FoodShare applications while decreasing the "quality" of applications in terms of eligibility criteria, resulting in low levels of eligible spillover. At the end of the study period, fewer BC+ applicants using ACCESS were ultimately enrolled in FoodShare relative to walk-in applicants or phone applicants (31% versus 53% and 41%, respectively; estimates displayed in Figure 5). It is encouraging, however, that the trend in enrollment spillover increased greatly over the study period for ACCESS users.

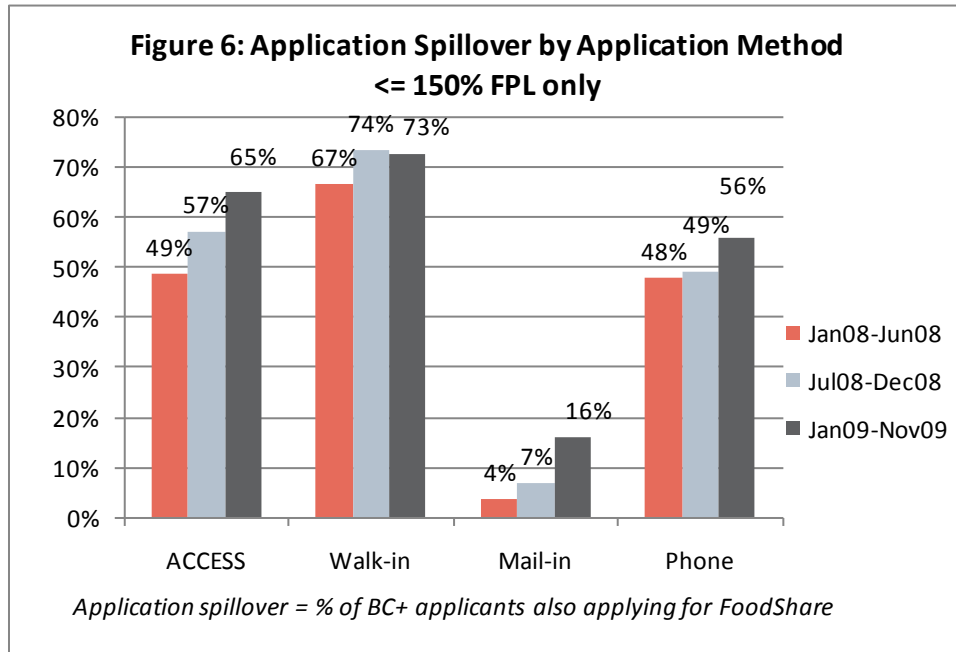


The results in the above figures demonstrate that ACCESS attracts more ineligible applicants than other methods, which leads to lower target efficiency. But it may remain the case that ACCESS facilitates higher level of enrollment spillover among applicants who are indeed eligible for the FoodShare program. Thus our final analysis examined the following question: Does ACCESS increase enrollment spillover *among seemingly income-eligible applicants*?

We estimated application, eligible, and enrollment spillover among the subset of applicants who have incomes < 150% FPL. This pool of applicants was the most likely to be determined eligible for FoodShare, which has a gross income threshold of 200% FPL and a net income threshold of



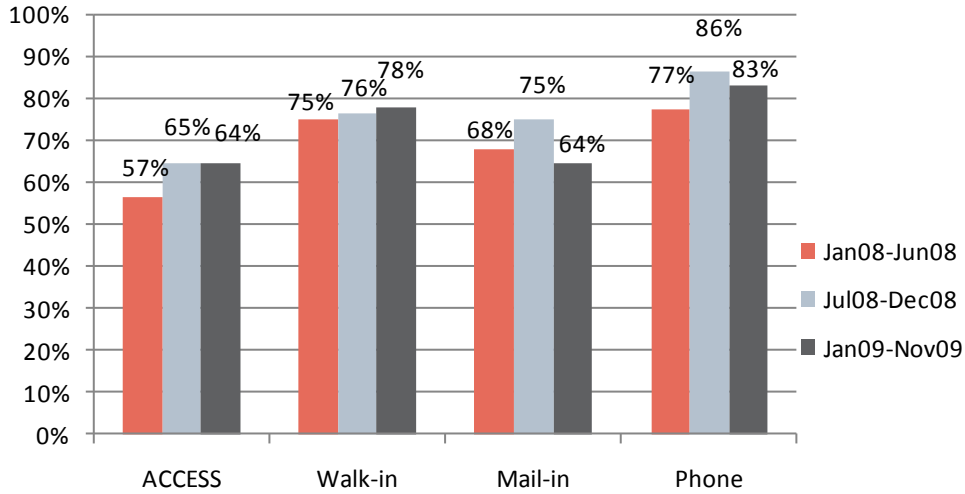
100% FPL. Figures 6-8 display the results of this analysis. ACCESS and walk-in methods elicited the highest application spillover from the low-income subgroup (65% and 73% between January 2009-November 2009, respectively), with applicants using the phone also exhibiting high levels of application spillover into FoodShare (56% between January 2009-November 2009). Low-income applicants using the mail system had very low levels of applying for FoodShare (16% between January 2009-November 2009).



Eligible spillover in ACCESS was much higher for the lower-income subgroup than it was for the entire applicant population, as would be expected given the FS income thresholds (Figure 7). However, it is still lower than that exhibited by walk-in and phone, suggesting that the latter methods exhibit superior targeting, even among low-income populations. Here again, some of this variance may arise from across-method differences in adherence to reporting and verification requirements.

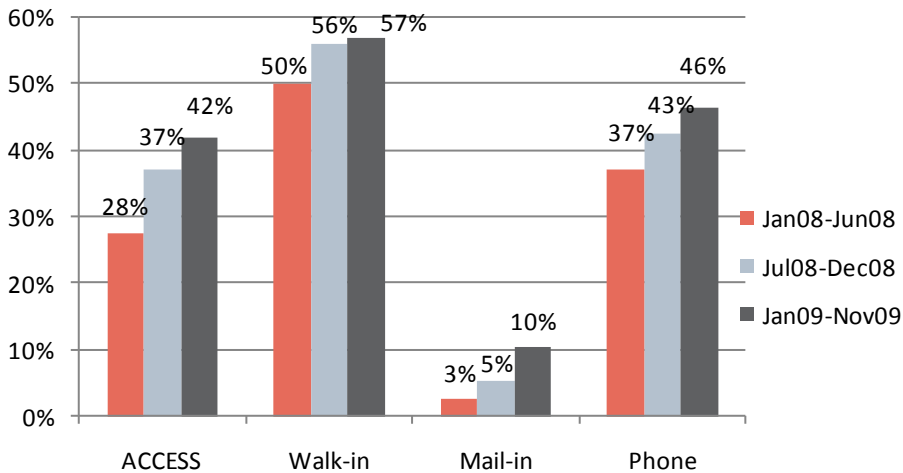
Similar to the case of the aggregate population, enrollment spillover was highest among low-income applicants who walk-in (60% between January 2009-November 2009, Figure 8). Phone and ACCESS exhibited comparable levels of enrollment spillover for this subpopulation (46% and 42% between January 2009-November 2009, respectively) while mail-in exhibited considerably lower levels (10% between January 2009-November 2009).

**Figure 7: Eligible Spillover by Application Method  
 <= 150% FPL Only**



*Eligible spillover = % of BC+ applicants applying for FoodShare (FS) who are determined eligible for FS*

**Figure 8: Enrollment Spillover by Application Method  
 <= 150% FPL Only**



*Enrollment spillover = % of BC+ applicants who ultimately enroll in FoodShare*

## Discussion

### **Key findings**

- ✓ *ACCESS applicants, compared to users of other application methods*
  - Relatively higher-income
  - More likely urban
  - More likely to be male
  - More likely to speak English as primary language
- ✓ *ACCESS use strongly associated with application spillovers into FoodShare*
- ✓ *ACCESS has lower target efficiency than other enrollment methods*
  - Smaller percentage of ACCESS applicants determined eligible for health insurance
  - Smaller percentage of ACCESS spillover applications for FoodShare determined eligible for the program
  - Target efficiency of ACCESS spillover applications improved over time, but remained lower than walk-in and phone methods

ACCESS demonstrates that a well-designed, easily accessible on-line enrollment system can promote high program take-up, particularly when promoted as the preferred enrollment mechanism. The Robert Wood Johnson Foundation's MaxEnroll initiative has reported Wisconsin's notable strengths, as well as challenges, in its existing outreach and enrollment efforts, and commented on opportunities offered by ACCESS.<sup>6</sup>

The adoption of online application, however, remains uneven across demographic subgroups, with the lowest income, rural, and non-English-speaking populations least likely to choose an online method. Recent survey data support this finding, suggesting that walk-in is the preferred method among Medicaid-eligible populations, with online enrollment lagging considerably behind.<sup>7</sup>

Target efficiency – the proportion of system users that actually become enrolled – also remains a challenge. The Wisconsin experience demonstrates what is likely to unfold for many States as they implement ACA – an eligibility expansion occurring concurrently with the adoption and promotion of online enrollment mechanisms. In Wisconsin this confluence was associated with large increases in application spillover into other social programs; however, many of the online applicants were ultimately deemed ineligible for health insurance coverage and/or other programs.

The ACCESS online program includes an optional “Am I Eligible” module, intending to allow applicants a quick screen prior to submitting a full application through the “Apply for Benefits” module, or for anyone interested in exploring Wisconsin's public assistance programs anonymously. But most applicants do not choose to use the screener. Indeed, about twice as many “Apply for Benefits” modules are completed per month as are “Am I Eligible” screeners. The vast majority (97%) of applicants who do use the “Am I Eligible” module are found to be

eligible, suggesting that this on-line process may be designed to invite user participation rather than as a rigorous screening tool to promote administrative efficiency.

Of note -- applicants applying by phone or in person via county offices usually are prompted through a mini “Am I Eligible” screener. This filter probably increases the target efficiency of telephone and in-person methods. The target efficiency of ACCESS could as well be enhanced by designing the system to encourage – or perhaps require, online applicants to complete and eligibility screener prior to submitting an application.

The easing of application and administrative burdens, through technology or other methods, often leads to reduced target efficiency.<sup>8</sup> Ultimately, the policy concerns associated with the relatively lower target efficiency of online systems depend upon the marginal costs associated with processing additional applications. If most online applications can be handled inexpensively through automated systems, then the decline in target efficiency is likely to be offset by the gains from easing and increasing take-up and application spillover to other programs. If, however, the marginal cost associated with each ineligible applicant raises the overall average costs per enrolled case, system adjustments may be merited.

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<sup>1</sup> The Commonwealth Fund. Aiming Higher for Health System Performance: A Profile of Seven States that Perform Well on the Commonwealth Fund’s 2009 State Scorecard: Wisconsin. October 2009.

Available at:

[http://www.commonwealthfund.org/~media/Files/Publications/Fund%20Report/2009/Oct/Profile%20of%20Seven%20States/1329\\_Aiming\\_Higher\\_State\\_Profiles\\_Wisconsin\\_final.pdf](http://www.commonwealthfund.org/~media/Files/Publications/Fund%20Report/2009/Oct/Profile%20of%20Seven%20States/1329_Aiming_Higher_State_Profiles_Wisconsin_final.pdf)

<sup>2</sup> Department of Health Services, “Wisconsin Receives Two Awards for Health Care Program”. Available at: <http://www.dhs.wisconsin.gov/News/PressReleases/2010/120610badgercareaward.htm> . See:

<http://www.stockholmchallenge.org/project/2010/access-eligibility-support-services-health-nutrition-and-child-care>

<sup>3</sup> Kaiser Family Foundation. Optimizing Medicaid Enrollment, Spotlight on Technology. Wisconsin’s ACCESS Internet Portal. October 2010. Available at: <http://www.kff.org/medicaid/upload/8119.pdf>

<sup>4</sup> Cousineau, M., Stevens G, and Farias A. Measuring the Impact of Outreach and Enrollment Strategies for Public Health Insurance in California. *Health Services Research*, Vol 46(1):319–335, February 2011.

<sup>5</sup> CARES data are only available for family coverage recipients (i.e. low-income children and their caretakers), therefore our study focuses on this population and excludes applicants for childless adult coverage, elderly/blind/disabled coverage, and other State-funded coverage for special populations

<sup>6</sup> Caroline Davis C, and Duchon L. Maximizing Enrollment in Wisconsin: Results from a Diagnostic Assessment of the State’s Enrollment and Retention Systems for Kids. National Academy for State Health Policy. February 2010. Available at:

<http://www.maxenroll.org/files/maxenroll/file/MaxEnroll%20Wisconsin%20-%20FINAL%20-%20for%20posting%20docx.pdf>

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<sup>7</sup> Kaiser Commission on Medicaid and the Uninsured. Next Steps in Covering Uninsured Children: Findings from the Kaiser Survey of Children's Health Coverage. January 2009. Available at: <http://www.kff.org/uninsured/upload/7844.pdf>.

<sup>8</sup> Blumberg LJ. Balancing Efficiency and Equity in the Design of Coverage Expansions for Children. Health Insurance for Children. Vol 13( 1) Spring 2003.