

Health and Human Services Committee
LB 309
March 14, 2013

Vivianne Chaumont, Director
Division of Medicaid and Long-Term Care
Department of Health and Human Services

Good afternoon Senator Campbell and members of the Health and Human Services Committee. My name is Vivianne Chaumont (V-I-V-I-A-N-N-E C-H-A-U-M-O-N-T). I'm the Director of the Medicaid and Long-Term Care Division of the Department of Health and Human Services and I am here to testify in opposition to LB309 from the perspective of both the Divisions of Children and Family Services and Medicaid and Long-Term Care.

The Department already does much of what is required in LB 309.

LB 309 requires the use of federal, state and commercial databases to verify client information for eligibility. The N-FOCUS system interfaces with over a dozen state and federal databases. It also interfaces with the State's Vital Statistics database and CHARTS, the child support system that interfaces with another group of databases. Whenever a match occurs with these databases, a worker receives notification for follow up.

LB 309 also requires reasonable efforts to prevent case closure but does not specify the number of reminder calls or letters that would be required to meet reasonable efforts. Currently, a reminder of the requirement for renewal of benefits is sent at least 30 days in advance of the date the case is due for renewal and possible closure. We are required to provide no less than a ten-day notice before their case is closed.

Most of the data sets required in LB 309 are in N-FOCUS. The costs in the fiscal note are for one-time programming to extract the data in the way the bill requires. Some of the data points, such as the frequency that questions are resolved during an initial contact, are subjective and would be difficult to capture.

Several provisions required in LB 309 reflect current Nebraska Medicaid policy. Some of the provisions either conflict with federal requirements or align with requirements of the Affordable Care Act (ACA) that will be implemented in January 2014.

As mentioned earlier, currently the Department shares verification of client information across our programs. The ACA requires Nebraska Medicaid to use federal data sources provided by the federal government. However, the ACA specifically prohibits sharing federal income tax

data with other social service programs. Requiring Medicaid to share all client information it receives will violate federal law.

LB 309 requires the Department to simplify documentation requirements by utilizing the least burdensome and redundant verification procedures allowed under federal law. For clients potentially eligible for Medicaid using the Modified Adjusted Gross Income methodology, states must use federal electronic data matches and apply a reasonable compatibility standard for eligibility factors.

That means we cannot automatically enroll children in Medicaid using eligibility for Supplemental Nutrition Assistance Program (SNAP). Express Lane Eligibility, as this is called, allows a state to rely on the finding of the SNAP agency to determine eligibility for Medicaid. In order to implement Express Lane Eligibility, approval of a State Plan is required. The authorization for Express Lane Eligibility in federal law is set to expire on September 30, 2013. Considering the workload issues associated with implementation of the ACA and the proximity of the expiration date, allocation of resources to Express Lane Eligibility is not an effective strategy.

At this time, states do not know what the Federal Exchange will use as their verification procedure. The Department does not want to be bound by a federal process that is not yet clearly defined. Less stringent verification processes can impact program integrity and it is important to ensure that only those eligible receive benefits.

Thank you for the opportunity to be here today. I'm happy to answer any questions you may have.