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February 2011

## The Target Efficiency of Online Medicaid/CHIP Enrollment: An Evaluation of Wisconsin's ACCESS Internet Portal

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### INTRODUCTION



#### Overview

This issue brief provides an empirical examination of which socioeconomic sub-groups are likely to apply for public benefits 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.

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 application system for health coverage and other public benefits, happened concurrently with a large-scale expansion of health coverage eligibility through BadgerCare Plus, a combined Medicaid and CHIP program. ACCESS has since received attention for its reported success in enrolling users into programs, for its relative ease of use, and for its administrative simplifications (The Commonwealth Fund, 2009; Wisconsin Department of Health Services, 2010).

The ACCESS web-based, self-service tool allows applicants to find out whether they may be eligible for BadgerCare Plus as well as FoodShare (federal Supplemental Nutrition Assistance Program - SNAP) and other public benefits. ACCESS users can apply for benefits, check their benefits, renew their benefits or check their renewal date, and report changes to keep their eligibility current. The program is available in English and Spanish. The system's processes and functionality have been well-described in detail elsewhere (Kaiser Commission on Medicaid and the Uninsured, 2010).

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

The Wisconsin experience demonstrates what is likely to unfold for many states as they implement the ACA – an eligibility expansion occurring concurrently with the adoption and promotion of online enrollment systems. Wisconsin's experience with populations beyond traditional Medicaid eligibility offers lessons for other states about the significant potential benefits and limitations of technology-based enrollment systems and can help guide states' efforts to adopt and

apply such mechanisms.

## DATA AND METHODS

This study analyzed administrative data from BadgerCare Plus. 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.

Application data were merged with socioeconomic measures available in the Wisconsin CARES system, an administrative database.<sup>1</sup> Data for the months January 2008 through 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, as detailed in the box below.

### Calculating Enrollment Spillovers between BadgerCare Plus and FoodShare

We decomposed the association between BadgerCare Plus application method and likelihood of enrolling in FoodShare into two component influences: (1) application spillover and (2) eligible spillover.

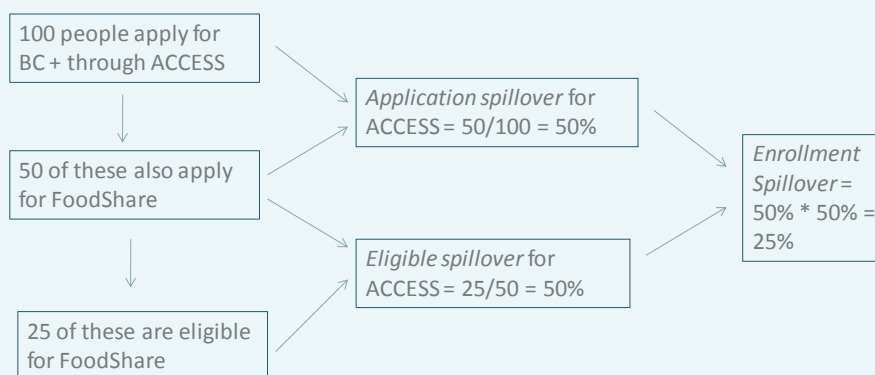
**Application spillover** refers to the percentage of all BadgerCare Plus applicants who also *apply* for FoodShare. Application spillover is a reflection of the extent to which a method promotes multi-program application.

**Eligible spillover** refers to the percentage of application spillover that is ultimately determined to be *eligible* for FoodShare. Eligible Spillover is a reflection of the quality of the application spillover induced by a method.

**Enrollment spillover** is the percentage of all BadgerCare Plus applicants who both apply for and are ultimately enrolled in FoodShare and is the product of application spillover and eligible spillover. The relationship between the three is:

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

#### Example:



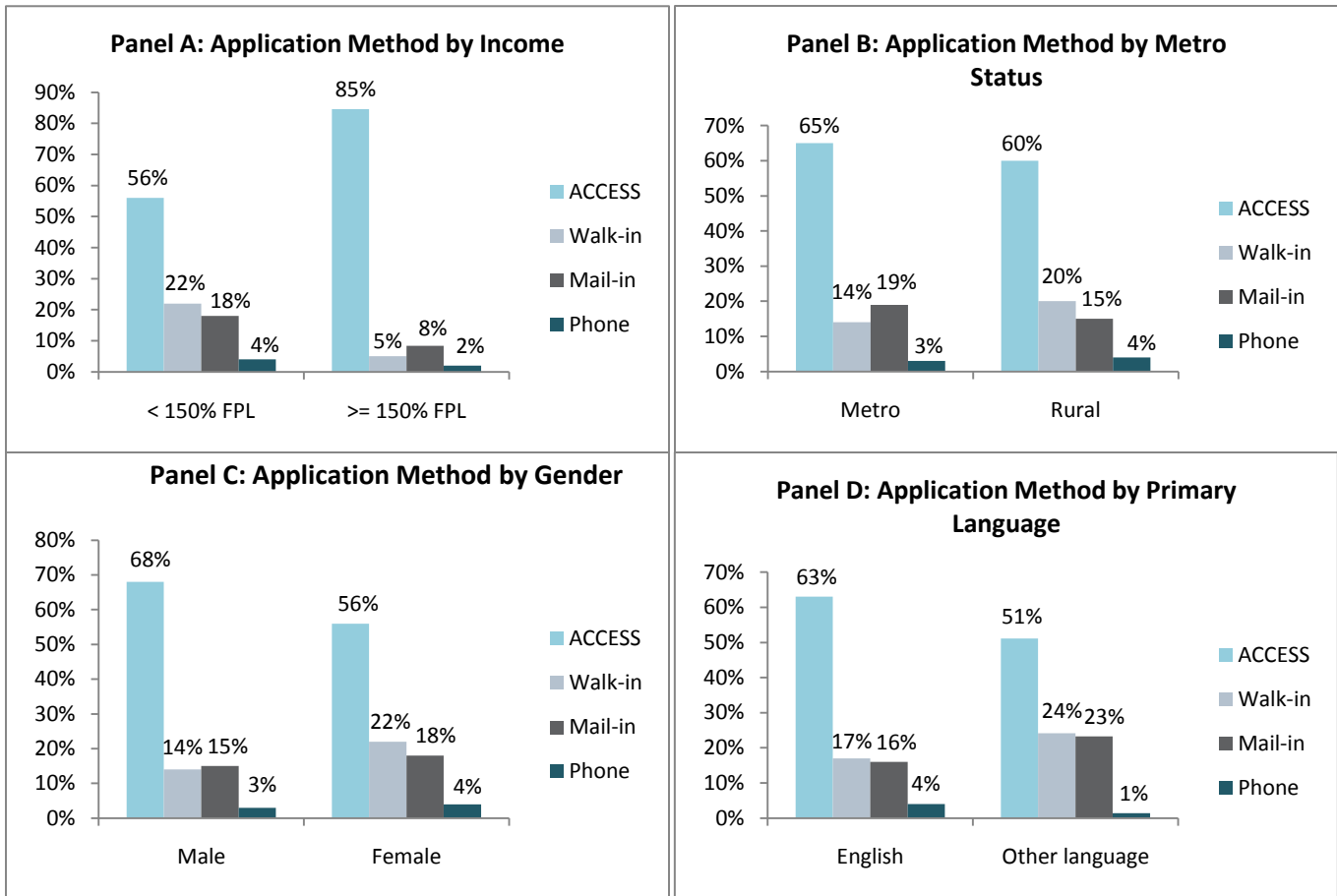
<sup>1</sup> CARES data for this study were only available for family coverage recipients (i.e. low-income children and their caretakers). Because of this, our study focused on this population and excluded applicants for childless adult coverage, elderly/blind/disabled coverage, and other state-funded coverage for special populations.

## RESULTS

### Demographic Patterns

Slightly less than two-thirds (62 percent) of sample BadgerCare Plus applicants applied via ACCESS, while approximately 17 percent applied by mail-in or walk-in methods, and 4 percent applied by phone. The choice of application method varied significantly among various demographic characteristics, with ACCESS applicants being characterized by a more advantaged socioeconomic profile than other applicants. Figure 1 (Panels A-D) displays socioeconomic characteristics of BadgerCare Plus applicants by application method.

**Figure 1**



Specific findings include:

- ACCESS is much more readily utilized by applicants above 150 percent of the federal poverty level (FPL) than by applicants below this FPL: Over 80 percent of applications were submitted through ACCESS for the former group, versus 56 percent of applications for the latter.
- Applicants in metropolitan areas used ACCESS more often (65 percent of the time) than did applicants in rural areas (where ACCESS accounted for 60 percent of applications).
- Women use ACCESS less often as an application method than do men, with 56 percent of female applicants using ACCESS, compared with 68 percent of male applicants.

- Those who do not speak English as a primary language use ACCESS less often (at 50 percent of the time) than do applicants who speak English as a primary language (who use ACCESS 63 percent of the time).

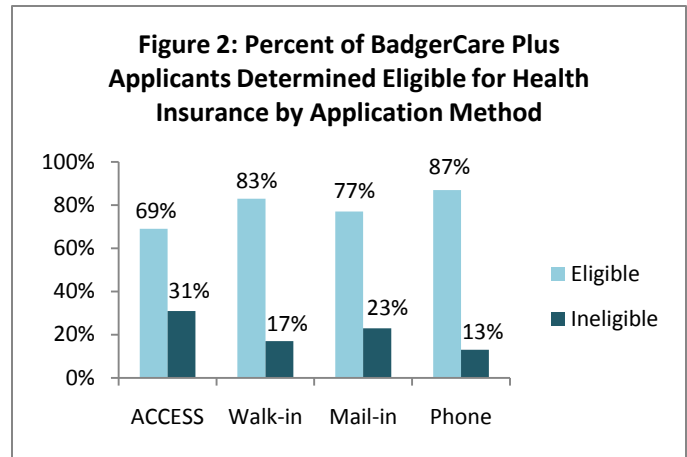
## Target Efficiency

The target efficiency of ACCESS –i.e., 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: Sixty-nine percent ACCESS applicants were approved, compared with 87 percent of phone applicants, 83 percent of walk-in applicants, and 77 percent of mail-in applicants.

It is important to note that the discrepancy between application and enrollment may reflect the actual eligibility status of an applicant, or it may reflect procedural hurdles that impede the recognition 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: the provision of needed documentation from the applicant, the submission of premium payments, and proper system verification of supplied information.

The Wisconsin DHS reports, for example, that online applications are twice as likely as other applications to be denied for lack of verification. Verification poses 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 once a state worker has reviewed and begun processing the the electronic application.

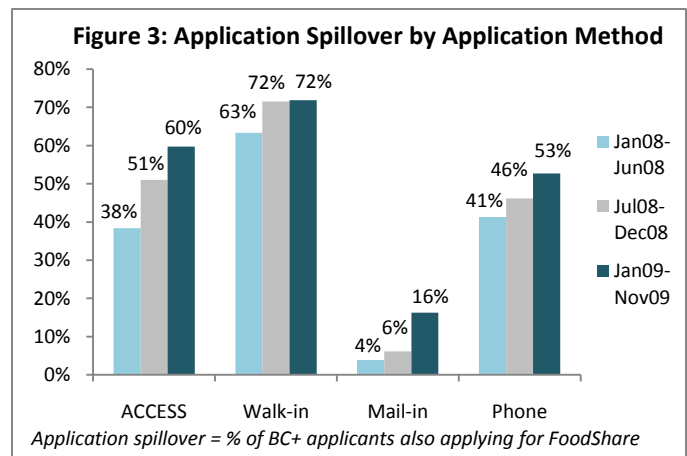
Our data did not permit drawing a distinction between an incomplete application and a complete-but-ineligible application. This study simply indicates that ACCESS applications are less likely than other application methods to result in an approval for benefits.



## 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:

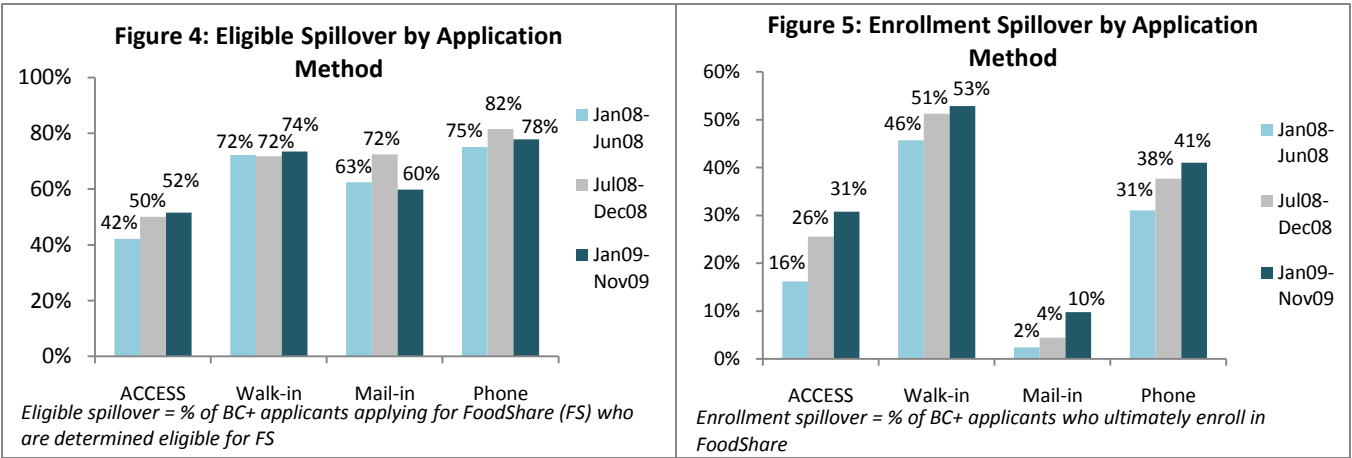
- (1) January 2008 through June 2008, during which major eligibility expansions and targeted outreach initiatives were launched;
- (2) July 2008 through December 2008, during which the economy entered into the recent sharp recession; and
- (3) January 2009 through November 2009, during which the effects of the expansions and the economic downturn continued to grow.



Among application methods, walk-in consistently had the highest levels of application spillover (72 percent from January 2009 through November 2009), with ACCESS and phone also witnessing substantial spillover (60 percent and 53 percent from January 2009 through November 2009, respectively). In contrast, there was very little application spil-

lover for mail-in applications (16 percent from January 2009 through November 2009). Application spillover grew over the study period for all enrollment methods, the most marked increase occurring among ACCESS users.

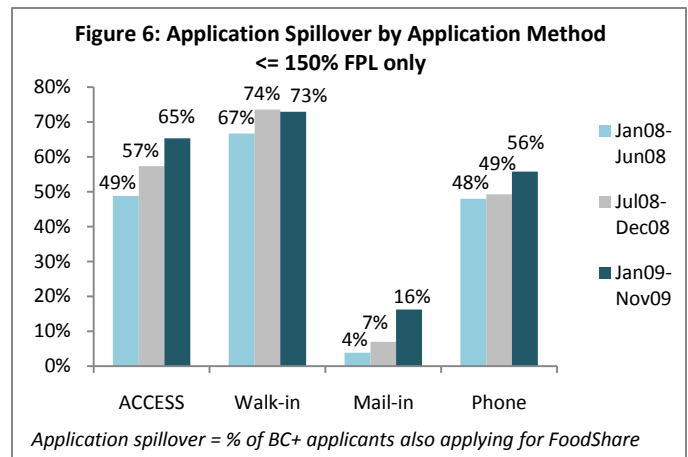
Again, with regard to target efficiency, ACCESS appears to attract many applicants who are not ultimately determined eligible for benefits (Figure 4). ACCESS has effectively increased FoodShare applications while decreasing the "quality" of applications in terms of eligibility criteria, resulting in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



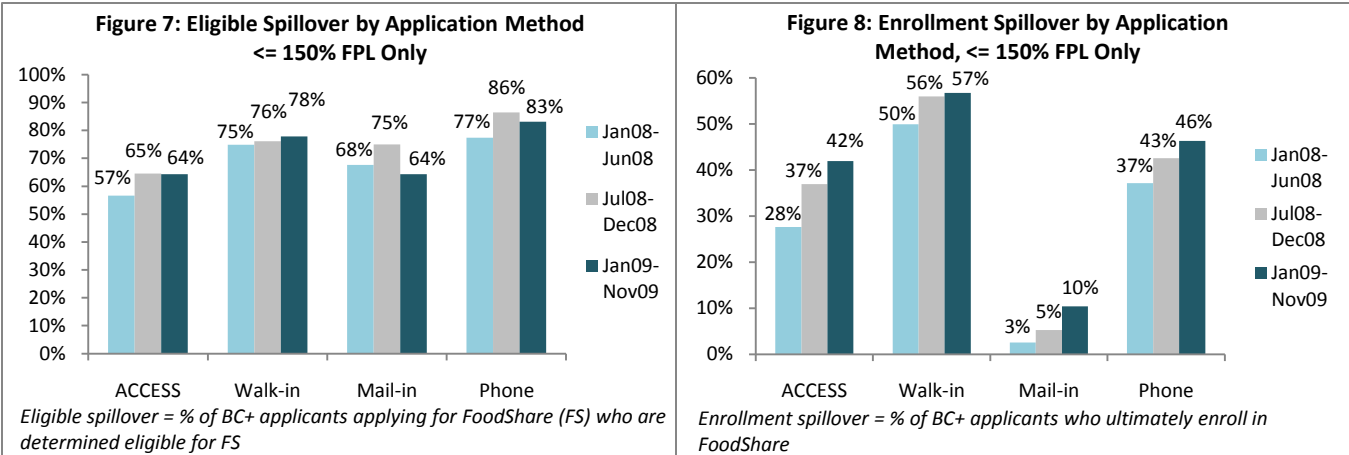
The results in the above figures demonstrate that ACCESS attracts more ineligible applicants than do other methods, which leads to lower target efficiency. However, it may remain the case that ACCESS facilitates a higher level of enrollment spillover among applicants who are indeed eligible for the FoodShare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

### Enrollment Spillover among Seemingly Eligible Applicants

We estimated application, eligible, and enrollment spillover among the subset of applicants who have incomes below 150 percent FPL. This pool of applicants was the most likely to be determined eligible for FoodShare, which has a gross income threshold of 200 percent FPL and a net income threshold of 100 percent FPL. Figures 6 through 8 display the results of this analysis. ACCESS and walk-in methods elicited the highest application spillover from the low-income subgroup (65 percent and 73 percent from January 2009 through November 2009, respectively), with phone applicants also exhibiting high levels of application spillover into FoodShare (56 percent from January 2009 through November 2009). Low-income applicants using the mail system had very low levels of applying for FoodShare (16 percent from January 2009 through November 2009). Beyond the burdens associated with mail-in methods, the low spillover for FoodShare among mail-in applicants could reflect lack of awareness about the FoodShare program.



Eligible spillover from ACCESS was much higher for the lower-income subgroup than it was for the entire applicant population, as would be expected given the FoodShare 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 percent from January 2009 through November 2009; Figure 8). Phone and ACCESS exhibited comparable levels of enrollment spillover for this subpopulation (46 percent and 42 percent from January 2009 through November 2009, respectively), while mail-in exhibited considerably lower levels (10 percent from January 2009 through November 2009).

## DISCUSSION

ACCESS demonstrates that a well-designed, easily accessible on-line enrollment system can encourage high program take-up, particularly when promoted as the preferred enrollment mechanism.

The adoption of online application mechanisms 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 (Kaiser Commission on Medicaid and the Uninsured, 2009). 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 (Cousineau, Stevens, & Farias, 2011).

Target efficiency – the proportion of system users that actually become enrolled – also remains a challenge.

### 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



The Wisconsin experience demonstrates what is likely to unfold for many states as they implement the 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 percent) of applicants who do use the “Am I Eligible” module are found to be eligible, suggesting that this on-line process may invite user participation rather than serve as a rigorous screening tool to promote administrative efficiency.

The easing of application and administrative burdens, through technology or other methods, often leads to reduced target efficiency (Blumberg, 2003). 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 on-line 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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The State Health Access Reform Evaluation (SHARE) is a Robert Wood Johnson Foundation (RWJF) program that supports rigorous research on health reform issues, specifically as they relate to the state implementation of the Affordable Care Act (ACA). The program operates out of the State Health Access Data Assistance Center (SHADAC), an RWJF-funded research center in the Division of Health Policy and Management, School of Public Health, University of Minnesota. Information is available at [www.statereformevaluation.org](http://www.statereformevaluation.org).

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