

Streamlining Medicaid enrollment will help more Marylanders receive health coverage

Given before the House Health and Government Operations Committee

The Maryland Center on Economic Policy supports House Bill 954

Enrolling into Medicaid Maryland residents that already are in the federal Supplemental Nutrition Assistance Program will help make sure more Marylanders get the health coverage they need – and the economic security and peace of mind that go with it.

Doing so would allow Maryland to identify and enroll eligible people into Medicaid quickly and without additional paperwork.

There is substantial overlap in the people that are eligible for and benefit from SNAP and Medicaid. According to analysis by the Center on Budget and Policy Priorities, 73.1 percent of SNAP households in Maryland are “certain” to be financially eligible for Medicaid.¹ This means that there are nearly 189,000 households enrolled in SNAP that are eligible for Medicaid as well. It makes sense to remove duplicative administrative barriers to enroll these households in a program they are known to be eligible for. Maryland would simply need to take one additional step to verify the potential recipient’s citizenship status, through an electronic data match with the Social Security Administration, as Medicaid rules already require.

While most of the remaining SNAP participants are also eligible for Medicaid, Maryland will need to collect additional information to determine their eligibility.² But doing so will require much less effort and resources than under the current duplicative system of separate SNAP and Medicaid eligibility determination.

Taken together, almost 218,000 households eligible for SNAP are also eligible for Medicaid. This represents 84.4 percent of all households receiving SNAP benefits in Maryland.

Linking Medicaid enrollment to SNAP eligibility is especially useful because Maryland expanded Medicaid eligibility to 138 percent of the poverty line under the Affordable Care Act (\$27,310 a year for a family of three). The vast majority of SNAP participants have incomes at or below this level.

¹ Data was provided to the Maryland Center on Economic Policy by the Center on Budget and Policy Priorities, and is based on information from Fiscal Year 2010.

² Angeles, January, Dottie Rosenbaum, and Shelby Gonzales, “HHS Announces Opportunity to Streamline Health Coverage for SNAP Participants,” Center on Budget and Policy Priorities, June 11, 2013, <http://www.cbpp.org/files/6-11-13fa.pdf>

Streamlining Medicaid enrollment in this way will also reduce the likelihood of fraud or mistakes in Medicaid enrollment. SNAP already entails rigorous verification of participants' eligibility at least every six months. Indeed, quality control reviews show that SNAP has an eligibility error rate of just 2 percent.³

This streamlined system will benefit Maryland's Medicaid agency as well as the Maryland Health Connection, another source of Medicaid enrollment in the state. Transitioning to a method of Medicaid eligibility determination based on consistently-reliable SNAP data makes sense given the increased enrollment in Medicaid as Maryland implements the Affordable Care Act and in light of recent reports that the Maryland Health Connection is unable to identify Medicaid recipients that are enrolled but no longer eligible.⁴

Should Maryland choose this streamlined method of Medicaid eligibility determination; resources are available to assist in implementation. The federal Department of Health and Human Services has provided money and guidance that can assist Maryland in enrolling SNAP participants in Medicaid.⁵

Streamlining Medicaid eligibility determination and enrollment through SNAP is good policy. Using already-verified eligibility information from SNAP will allow Maryland to leverage the time and resources employed to verify SNAP eligibility and avoid duplication of effort. This will free up resources for other uses. Enrolling SNAP participants in Medicaid reduces the eligibility determination workload of the state with minimum additional effort.

For these reasons, we respectfully request that the Health and Government Operations Committee give a favorable report to House Bill 954.

³ Ibid.

⁴ Johnson, Jenna, and Mary Pat Flaherty, "Maryland Begins to Put a Price on Health Exchange Debacle," *The Washington Post*, February 27, 2014, http://www.washingtonpost.com/local/md-politics/major-flaw-in-md-health-site-may-mean-30-million-in-unnecessary-medicaid-payments/2014/02/27/4092eb06-9f2f-11e3-a050-dc3322a94fa7_story.html

⁵ The guidance from the Department of Health and Human Services can be found at: "Facilitating Medicaid and CHIP Enrollment and Renewal in 2014," <http://www.medicaid.gov/Federal-Policy-Guidance/Downloads/SHO-13-003.pdf>.