

**TennCare Oversight Committee, August 20, 2009**

Testimony by Tony Garr

Director of the Tennessee Health Care Campaign

SSI/Daniels has been a contentious issue. When our state takes health insurance away from its citizens and leaves most of them with no good alternatives, this creates distrust among government and its responsibility to protect its citizens.

When corporations lay people off, there are government programs that help transition people and provide them resources that they critical to protect their safety. Essentially, the government is the last resort. However, when the states make cuts, there is nothing behind the “last resort.” This creates havoc in the lives of thousands of families here in TN.

**Center on Medicare and Medicaid Services -** The Tennessee Health Care Campaign with other providers and not-profits had the opportunity to speak with CMS and share with them our concerns about the RFI process for the SSI/Daniels class. In summary, we shared the following:

1. A letter and a toll free 800 is not sufficient. In general this is a group of low income people with lower educational achievement. Asking them to complete a 7 page RFI is very difficult for them.
2. Some TennCare eligibility categories, such as Adult Disabled Child, could not have been picked up by the Peach Pages (RFI). If

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people were eligible to stay on TennCare, neither TennCare nor the enrollee would have known this.

3. Special assistance – When the cuts occurred in 2005, there was special assistance provided by many not-for-profit groups. TennCare identified special assistance for transplant patients, cancer patients, etc. TennCare was pro-active. This did not happen in this round of cuts. In addition, this group contained a higher number of people who are disabled physically, mentally, and developmentally. There should have been a greater effort to accommodate these families

**Children on TennCare/SSI/Daniels:**

1. Let me thank TennCare for waiting until the end of the Request For Information (RFI) to send out Peach Pages for children enrolled in TennCare as SSI/Daniels.
2. There are several reasons why it is important to be more careful with the RFI process for children.
  - a. Many of these children will most likely be very vulnerable, having very serious and multiple medical conditions.
  - b. Generally speaking, these families are lower income, but some are higher. Many of these children are very sick or they could be healthy children with very serious medical and/or developmental conditions. The Early Periodic Screening

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Diagnosis and Treatment (EPSDT) benefit has been very important for these children.

- c. EPSDT benefits, such as occupational, speech, hearing therapies, dental and vision, are not available under CoverKids. For example, many of these children have serious dental and vision problems and need care that is not provided by CoverKids. Braces, for example, are not covered by CoverKids. Many children with developmental disabilities have special dental needs.
- d. Eligibility is much broader for children in TennCare than it is for adults. For example, there are three large categories that will help many children but are not available for adults. SpendDown, PLIS, and Medical Eligibility. Let me explain these categories. It is important for policymakers to know.
  - i. SpendDown – Adults who are disabled (under 65), or elderly (over 65), or caregiver of children under 21 were eligible for TennCare SpendDown. This category was closed in April 2005 and has not been funded since then. In this last state budget, I worked with legislators to re-fund this category of eligibility, but it did not happen. This category remains open for children under the age of 21.

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- ii. Medically Eligible – Uninsurable – This category was eliminated in 2005 for adults. It is still open to children who have serious medical conditions, whose family income is below twice poverty, and who are not eligible for another Medicaid open category.
- iii. PLIS (Poverty Level Income Standard): There are 3 subcategories - Category #1 will cover all children below the age of 18 who are below poverty. Category #2 will cover all children 1 through 5 below 1.33% of poverty. Category #3 will cover all newborns, 0 to 1 up to 1.85% of poverty. Families First is another category that covers many children. When the parents lose Families First, many children are still eligible for TennCare.
- e. TennCare needs to go beyond just mailing out the peach pages and having the toll free number. TennCare has the capability to:
  - i. Review medical records and ID children who have multiple medical needs. This was done by TennCare in 2005 when transplant, cancer patients were identified and a special unit was established to make sure that

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these folks got pro-active assistance in transitioning to some other coverage or in some cases, no coverage.

- ii. Be proactive in identifying children who are SED (seriously emotionally disturbed) and making sure that these families get the support they need.
- iii. Train DHS workers to the special needs of families with children with special needs. There are many categories of eligibility for children that are very complicated. Above, I only mentioned four categories. There are about 30 more that apply to children.
- iv. Work with non-profits across the state and conduct community meetings in all the major 9 to 11 geographical subdivision across the state. This would involve more of the community in understanding the resources that families need. If communities understood the needs of people in their communities, this would help build support for the TennCare program.
- v. The application process for enrolling children in CoverKids/TennCare is too complicated. It goes to Chattanooga first via mail or on-line. When the application is screened for eligibility and it is determined that they may be eligible for TennCare,

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families are mailed back a letter telling them that their child is not eligible for CoverKids and would have to go to their County DHS office to apply there. When they apply at DHS, it could take up to 45 days. If they are eligible for coverage, they get TennCare. If not, they are given a “denial letter” (remember, the child’s application for CoverKids has been denied because their income is too low) and told to send this “denial letter” via mail to CoverKids. If this last step happens, the denial letter is matched up with the original application and the application process will continue with more delays. **My concern is that many children on SSI/Daniels are very vulnerable and going even a month without care could put the child at risk. However, it appears that sometimes children may go several months before this application is finally processed and the family is notified that they have coverage.**

- vi. Automatic retention (providing the child coverage while eligibility is being re-determined) – States can now provide children continuous coverage while renewals are in process. This will be especially important

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for the 10,000 or so children in the SSI/Daniels category because many of these children will have multiple medical problems, and gaps in coverage even for one month could be highly risky for many children.

**Without special attention to the re-newal process within TennCare or moving children from TennCare to CoverKids eligibility, vulnerable children could go several months without coverage. This SSI/Daniels renewal process is an opportunity for the state to look at its eligibility/renewal systems for children before families get their RFI letters from TennCare. Alabama has simplified its eligibility system for children. Basically, all applications for health care in Alabama for children go through “ONE” door. The same applies for renewals. If there are questions about the application between departments, they are all answered internally (administratively). The family in Alabama does not get a letter saying that they have to go to another department within the same government. Alabama does not have these long delays.**

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- vii.** Many of these children in SSI/Daniels who are on TennCare will be eligible for CoverKids. Many of these children cannot afford to have a gap in their coverage for several months. TennCare has the authority to automatically keep children enrolled in TennCare until it has been definitely decided that they are eligible for CoverKids. **TennCare and CoverKids should adopt a policy to make sure that there is no “GAP” in coverage between children coverage programs within Tennessee.**

Thank you for the opportunity to testify today before the Oversight Committee.