

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**STATE CHILDREN'S HEALTH
INSURANCE PROGRAM (SCHIP)
RENEWAL PROCESS**



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September 20, 2002

/s/

Debra Robinson
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Office of Evaluation and Inspections

OIG Memorandum Report: "State Children's Health Insurance Program (SCHIP) Renewal Process," OEI-06-01-00370

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Attached is a memorandum report that examines the State Children's Health Insurance Program (SCHIP) renewal process from the parents' perspective and identifies opportunities for improvement.

We evaluated all 50 States' SCHIP renewal application forms and instructions, notices, SCHIP cards, States' telephone customer services, and State SCHIP web sites. The most common way to renew SCHIP eligibility is with mail-in forms (42 States) that typically are not user-friendly. Thirty-three States provide SCHIP renewal instructions that are difficult to read and understand. Parents are not notified in writing of the disapproval outcome of the renewal in 20 States, even though States are required to send a written notice if eligibility is denied (SCHIP regulations at 42 CFR § 457.340). Although all States provide children an SCHIP card, only 12 States include an expiration date, which could alert parents to the end of the eligibility period. Obtaining SCHIP renewal information through States' SCHIP customer service telephone lines was challenging. Only 14 States included renewal information of any kind on their State SCHIP web pages.

States can improve their SCHIP renewal process by making small modifications. We suggest that CMS take steps to ensure that States comply with the Federal regulation (42 CFR § 457.340) to issue final outcome notices if children are disenrolled. We encourage the Centers for Medicare and Medicaid Services and the Health Resources and Services Administration to work with States to provide user-friendly SCHIP renewal application forms and instructions, SCHIP cards with coverage expiration dates, customer service telephone menus with a renewal option, and web site access to general SCHIP renewal information.

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You are welcome to provide comments but are not required to do so, since the report contains no recommendations.

If you have any questions about this report or would like a meeting to discuss more detailed information, please contact Elise Stein, Director, Public Health and Human Services at (202) 619-2686.

Attachment

EXECUTIVE SUMMARY

OBJECTIVE

To evaluate the State Children's Health Insurance Program (SCHIP) renewal process from the parents' perspective and identify opportunities for improvement.

BACKGROUND

The State Children's Health Insurance Program (SCHIP) allows States to expand health insurance coverage to certain low-income children. By September, 2001, more than 4.6 million children who would otherwise be without health insurance were enrolled in SCHIP. Despite this progress, previous research suggests that eligible children are unintentionally disenrolled because their parents encounter difficulties navigating State SCHIP renewal processes, leaving them without health insurance.

Our study examines the renewal process by simulating how parents might navigate that process. We collected renewal materials sent to parents from all 50 States. In addition, we accessed and evaluated telephone customer service lines and State SCHIP web sites. Our review of these information sources provides insight into limitations within the SCHIP renewal process.

FINDINGS

42 States Renew SCHIP By Mail; 6 Continue Coverage Based On Self-Reports; 2 Require In-Person Interviews

- ▶ 42 States require parents to complete and return forms by mail. Of these 42 States, 10 States provide user-friendly forms, e.g. plain language, adequate space and print size, minimal duplicate information.
- ▶ 6 States instruct parents to self-report any changes in family status. Four of the six States require parents to respond only if there are changes. Two States require parents to sign and return a pre-printed form if there are no changes in family status, or to update, sign and return the form if there are changes in status.
- ▶ 2 States require in-person interviews to renew SCHIP.

States Are Required To Send A Notice For Disapproval Of SCHIP Renewal, But 20 States Do Not

SCHIP regulations (42 CFR § 457.340) require States to send parents a written notice if eligibility is denied, suspended or terminated. We found that seven States send disapproval notices only, nine States send approval notices only, and 11 States do not send a final outcome notice.

Although All 50 States Provide Children With An SCHIP Card, Only 12 Include An Expiration Date On The Card

The coverage dates on the card alert parents that SCHIP coverage must be renewed at the end of the eligibility period. It is an important reminder for parents who did not receive renewal materials in time, and prompts them to contact their SCHIP offices.

Parent Access To SCHIP Renewal Information Via Telephone Customer Service And The Internet Is Limited

Fifty-four percent of telephone calls to SCHIP customer services resulted in obtaining general SCHIP renewal information. Twenty-eight percent of the calls reached a person who was unable to provide the renewal information and/or told us to contact the case worker. Eighteen percent of calls resulted in either voice mail, a busy signal, or being on hold longer than 10 minutes. Thirty-four States use automated telephone menu systems for SCHIP customer service lines, but none of the automated telephone systems have a menu option for SCHIP renewal information.

While 47 States have SCHIP web sites, 14 provide SCHIP renewal information. Only one State web site offers detailed information about the renewal process, including a sample form.

CONCLUSIONS

Renewing SCHIP coverage can be difficult for parents. We encountered difficulties obtaining information when we simulated parental contact even though we have greater knowledge of the system and are, therefore, better equipped to negotiate it. We identified problems with readability levels regarding renewal instructions and usability of forms. We noted the absence of written notification for parents regarding the outcome of the eligibility renewal process and helpful SCHIP information on SCHIP cards in some States. We also identified problems with obtaining general renewal information from SCHIP customer service telephone lines and State SCHIP web sites.

OPPORTUNITIES FOR IMPROVEMENT

We encourage the Centers for Medicare & Medicaid Services (CMS) and the Health Resources and Services Administration (HRSA) to work with States to incorporate the following:

- ▶ Take steps to ensure that States comply with the Federal regulatory requirement (42 CFR § 457.340) to issue final outcome notices if children are disenrolled.
- ▶ Adopt user-friendly forms: offer plain language, adequate space and print size, and minimize duplicate information.
- ▶ Include SCHIP coverage dates on the SCHIP card.
- ▶ Add a telephone menu option specifically for SCHIP renewal in those States that use automated telephone systems.
- ▶ Provide specific renewal sections on State SCHIP web sites.

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INTRODUCTION

OBJECTIVE

To evaluate the State Children's Health Insurance Program (SCHIP) renewal process from the parents' perspective and identify opportunities for improvement.

BACKGROUND

In 1997, Congress enacted the State Children's Health Insurance Program (SCHIP) as Title XXI of the Social Security Act to expand health insurance coverage for certain low income children. A low-income child is generally defined in section 2110(b)(1) of the Act as a child whose family income exceeds the applicable Medicaid income level by not more than 50 percent, or 200 percent of the federal poverty level (FPL), whichever is higher. SCHIP is a State-run program that entitles States to approximately \$40 billion in Federal funds through 2007. Like Medicaid, SCHIP is a joint State and Federal program; however, the Federal match for SCHIP is higher than that for the Medicaid Program. States have three options for covering uninsured children under Title XXI: to create a separate SCHIP program, expand Medicaid, or to combine the two approaches.

Enrollment and Disenrollment for SCHIP-eligible Children

By 2000, all 50 States and the District of Columbia had received approval from the Centers for Medicare & Medicaid Services (CMS) to expand public health insurance coverage for children through SCHIP. By September 2001, CMS reported that more than 4.6 million children who would otherwise be without health insurance coverage were enrolled in SCHIP.¹

Despite the progress of SCHIP, eligible children still lack health care coverage. A July 2001 report² by the Urban Institute indicated that their analysis had "also identified a sizable subgroup of low-income uninsured children (18 percent) who were uninsured at the time of the survey but who had been enrolled in Medicaid or SCHIP in the past year." In other words, these children had dropped out of the program. The report also indicated that there are many reasons for parents not enrolling or discontinuing their children in public health insurance programs. Reasons include administrative difficulties associated with enrollment and renewal, parents' lack of knowledge about public health insurance programs, not wanting public insurance for their children, or feeling such insurance is not needed. According to the State Annual Reports, numerous States cited that many parents never responded to the SCHIP renewal notices. Children may also become ineligible for coverage because of changes in family income, coverage by private insurance, moving out of State, or aging out of the program.

SCHIP Evaluation Efforts

Different agencies within the Department of Health and Human Services (HHS) have been conducting studies regarding SCHIP disenrollments. The Assistant Secretary for Planning and Evaluation (ASPE) of HHS is conducting a congressionally mandated SCHIP evaluation to assess enrollment and disenrollment dynamics and to analyze the program's affect on beneficiary access, service, and satisfaction in 10 States.³ The Agency for Healthcare Research and Quality (AHRQ) conducts SCHIP research through the Child Health Insurance Research Initiative (CHIRI). In one study by CHIRI, "The Consequences of States' Policies for SCHIP Disenrollment," a major finding was that the renewal process generates large disenrollments; about half of children previously enrolled are disenrolled at renewal time, but as many as 25 percent return within two months. The Centers for Medicare & Medicaid Services (CMS) is in the process⁴ of completing a project for model application forms and notices for SCHIP and Medicaid. In addition, several non-profit foundations published reports that mainly provided useful information regarding the mechanics of the renewal process, but they lacked information about what parents and/or guardians might experience when they navigate that process.

The Office of Inspector General has issued nine SCHIP-related inspection reports in the last three years. The three most recent reports are: "State Children's Health Insurance Program: Ensuring Medicaid Eligibles are not Enrolled in SCHIP" (OEI-05-00-00241), "State Children's Health Insurance Program: Assessment of State Evaluation Reports" (OEI-05-00-00240), and "Federally Funded Health Centers and Low Income Children's Health Care: Improving SCHIP Enrollment and Adapting to a Managed Care Environment" (OEI-06-98-00321). None of the previous OIG work examined the renewal process.

METHODOLOGY

Study Focus

In this report, we described what parents of SCHIP-enrolled children in all 50 States⁵ may experience when they renew their children's SCHIP eligibility. We focused on evaluating SCHIP renewal notices and application forms and accessing renewal information through SCHIP customer services.

Data Collection and Analysis

We used both qualitative and quantitative approaches to focus on three distinct aspects of the renewal process to: 1) describe States' program type and renewal process approach; 2) review State SCHIP renewal materials and information sent to parents; and 3) assess States' SCHIP customer service via the telephone and the Internet. Our contacts with States' SCHIP policy staff initially included requests for renewal materials and information; we also contacted them later in the study on an as-needed basis to clarify policy or questions raised by our data.

SCHIP program types and renewal approach: We extracted SCHIP renewal information from the State Annual Evaluation, CMS’ web site, individual State SCHIP web sites, and recent publications by the Urban Institute, Kaiser Family Foundation, National Academy for State Health Policy, and other research institutes. These sources provided us with information about the SCHIP program plan and characteristics for each State. We constructed simple frequencies for program types (separate, combined, or Medicaid expansion programs) and for States’ approaches to the SCHIP renewal process itself.

SCHIP Renewal Materials: From August 30 to September 30, 2001, we collected SCHIP renewal materials directly from individual State SCHIP offices including SCHIP renewal applications, renewal notices and follow-up letters, SCHIP cards, and any other relevant SCHIP renewal materials that the States were using at the time of our data collection. We received responses from all 50 States although three States did not provide all materials.⁶ We analyzed the content of all SCHIP renewal instructions received for readability by using the “Readability Statistics” tool in Microsoft Word. In addition, we developed a check list of criteria for systematically rating usability of the forms for renewal.

Readability – The “Readability Statistics” tool uses both the Flesch-Kincaid Index and Flesch Reading Ease Scale. The Flesch-Kincaid Index measures the school-grade writing level. Materials written at the 7th to 8th grade reading level are the standard for what is readable by and suitable for the general public. The Flesch Reading Ease Scale provides scores based on sentence and word length: a score of 100 is “very easy to read”, 0 is “extremely difficult to read”, and 65 equates to “plain English”.

Usability – We rated usability of the forms used at renewal time based on the form’s general appearance, adequacy of fields for information requested, and print size. The criteria for rating usability of forms were:

- Good: Form has ample ‘white space’ (so the form is not crowded), font size is readable without difficulty, field size is large enough for writing in requested information.
- Fair: A mixed rating, with some of the elements rated ‘good’ and some rated ‘poor’.
- Poor: Appearance of form is crowded/cluttered, font size is small and difficult to read, fields size is too small for writing in information requested.

SCHIP cards: We also reviewed SCHIP cards to determine if the card displayed coverage dates and the States’ unique SCHIP program names. These cards are directly issued from the State or the Managed Care Organization that is under contract with the State to provide SCHIP services.

Parent access for SCHIP renewal via telephone and the Internet: Individual SCHIP customer service telephone lines in all 50 States were evaluated from two aspects. First, we examined success rates in obtaining renewal information using telephone

numbers shown in renewal materials that the States sent us; we also noted whether customer service representatives were helpful and courteous when we requested assistance or information. Second, we analyzed types of telephone systems with particular emphasis on renewal information as an option on automated menus.

From October 24th to November 26th, 2001, we called individual State SCHIP customer service telephone numbers obtained from the following sources: States' SCHIP renewal materials, SCHIP cards, and States' SCHIP web sites. We created a structured protocol for telephone calls to systematize this portion of the data collection. This protocol included a set of questions asked of all customer service representatives, an assessment of telephone systems (automatic vs. live person), and the helpfulness of the person who answered the phone. To minimize bias, we systematically made multiple calls to each State using different days and times of day. We made at least four telephone calls to an SCHIP telephone number for each State. The telephone calls were unannounced, and we did not reveal our identity or research intention. As part of the simulation, we tried to proactively obtain information about renewing SCHIP as if we were parents who needed SCHIP renewal information. We asked their help for a variety of reasons, ranging from not understanding the process, to having lost information sent by the State or its contracted agency.

To obtain SCHIP renewal information from individual State's SCHIP web sites, we visited each State's web site twice - - once during the last week of August 2001 and again during the first week of December 2001. For each visit to the web sites, we searched for renewal information only; we did not examine any other aspect of States' SCHIP web sites. If we could locate renewal information, we also examined it for usefulness to the parent; that is, how much information about renewal would a parent know after reviewing the renewal information on the web site.

Definition of Terms

Individual States use slightly different terminology to describe the SCHIP renewal processes. In this report, we will use 'renewal' to represent similar terms such as re-enrollment, re-certification, and redetermination. We use the term 'parent' to include any person with legal authority to act on behalf of the SCHIP-enrolled child, and we use 'child' to mean one or more children.

Limitations

State SCHIP programs are continuously evolving so the findings for this report are limited to the time period when we completed data collection for the study (August 27 to December 5, 2001). In addition, our findings may understate challenges that parents experience when renewing their children's SCHIP coverage. We may have been more determined to deal with the SCHIP system when difficulties arose, and we are probably more knowledgeable about the SCHIP program than parents whose experience we were trying to simulate. Furthermore, even though we were able to approach other aspects of renewal as if we were a parent dealing with

the system, we, of course, did not have the specific child case information needed to examine the exchanges between case workers and parents in those States where case workers handle the renewal process. Also, we did not examine the actual re-enrollment rates that are associated with the various SCHIP renewal approaches, application forms, and notices that States use for SCHIP renewal.

This study was conducted in accordance with the *Quality Standards for Inspections* issued by the President's Council on Integrity and Efficiency.

FINDINGS

To evaluate the States' SCHIP renewal process from the parent's perspective and identify opportunities for improvement, we analyzed all 50 States' renewal application forms and instructions, notices, SCHIP cards, States' telephone customer services, and State SCHIP web sites. We encountered difficulties obtaining information when we simulated parental contact with renewing agencies. Because we have a wider knowledge of the system and are, therefore, better equipped to navigate it, we believe that parents can find the system a greater challenge to negotiate than we did. We identified problems with readability levels of renewal instructions and usability of forms. We noted the absence of written notification for parents regarding the outcome of the eligibility renewal process and helpful SCHIP information on SCHIP cards in some States. In addition, we identified problems with obtaining general renewal information from SCHIP customer service telephone lines and State SCHIP web sites. The SCHIP renewal process could be improved by making small modifications.

42 States Renew SCHIP By Mail; 6 Continue Coverage Based On Self- Reports; 2 Require In-Person Interviews

Mail-in forms (42 States) — Forty-two States⁷ send SCHIP renewal application forms to parents and require them to complete and return them to continue SCHIP coverage for their children. Mail-in forms generally appear to be burdensome; parents may experience difficulty in completing them because of length, lack of pre-printed information previously submitted, or unclear instructions. (See full discussion of forms starting on page 8). States may provide parents with other options, such as allowing parents to call in the information via telephone or make in-person visits to their case workers to complete renewal forms. Appendix A provides detailed information.

Continued coverage for unchanged eligibility status (6 States) — Six States automatically renew SCHIP eligibility unless there is a change in status. The States send parents letters or forms that typically provide pre-printed information about household members and income/expenses supplied by the parents on their initial application. These States also provided parents the clearest and easiest to read SCHIP renewal materials. Of the six States, four send a letter and require the parent to respond, only if there is a change in income or family status. The other two States require slightly more effort -- the parent receives a renewal form that is pre-printed with previously submitted information and which must be signed and returned. In addition, if there is a change in eligibility status, the parent must update the information on the form.

In-person interviews (2 States) — Only two States require an in-person interview for parents to renew their child's SCHIP eligibility. One State sends notices to parents

with a preset appointment time and requires parents to come to the office for the scheduled time. This State does not send any forms for SCHIP renewal prior to the in-person interview. The other State sends parents forms to be completed and brought with them to the in-person interview and gives the parent a 90-day period to schedule the interview at their convenience.

SCHIP renewal process approaches do not differ between the States' SCHIP program types

The three types of SCHIP programs are Medicaid expansion, separate program, and a combination of Medicaid expansion and separate program. Our findings indicate that there is no relationship between SCHIP renewal process approaches and SCHIP program types.⁸ (See Table 1.)

Table 1: SCHIP Program Types by Renewal Process Approaches			
SCHIP PROGRAM TYPES	MAIL-IN FORMS (n = 42 States)	CONTINUED ELIGIBILITY (n = 6 States)	IN-PERSON INTERVIEW (n = 2 States)
COMBINED (19)	15	3	1
MEDICAID EXPANSION (15)	13	1	1
SEPARATE PROGRAM (16)	14	2	0

States send prior notification postcards, follow-up notices and return envelopes to assist parents in the SCHIP renewal process

Eight States send pre-notification postcards or letters to the parent to let them know that they will be receiving forms for renewing SCHIP coverage. Twenty-one States send follow-up notices to parents to remind them to return their forms and documentation. State follow-up notices range from a simple reminder to instructions for providing specific missing information and/or documents, the date SCHIP coverage will expire if they do not provide the information/documents, and how to contact State SCHIP offices if they need help.

Fourteen States send the parent a return envelope with the form. These envelopes minimize non-response by reminding parents to return the forms and providing the proper address. One State marks important SCHIP mail in a special way. This State includes a bright neon-yellow sticker on the outside of the envelope to help ensure that the parent identifies it as important SCHIP renewal information. States such as California, Texas, and Minnesota with diverse populations have an instructional SCHIP renewal handbook that is available in several other languages to better serve parents with limited English proficiency.

SCHIP Renewal Instructions And Forms Can Be Difficult To Understand And Use

Thirty-three States provide parents renewal instructions that are difficult to read

Despite different renewal approaches, all 50 States send written SCHIP renewal instruction notices to parents. According to the Flesch-Kincaid Index, materials written at the 7th and 8th grade reading level are the standard for what is readable by, and suitable for, the general public. In 26 States, written instructions received by parents for SCHIP renewal were at the more difficult reading levels of 10th to 12th grade. Seven States were at the 9th grade reading level, which is marginal for readability according to the standard (see Table 2).

GRADE LEVEL	5 - 6th	7 - 8th	9th	10th	11th	12th
STATES (n =49 States)*	2	14	7	12	6	8

*We did not receive the material from one State.

Using the Flesch Reading Ease Scale of 0 to 100, 100 being “very easy to read” and 65 equated with “plain English,” we found that 49 States’ renewal instructions had an average reading scale of 56, i.e., close to plain English. Fifteen of the 49 States fell into ‘the more difficult to read’ category of below 50 on the reading scale.

Of the 42 States requiring mail-in forms, 25 States created a form specifically for renewal; 17 States require parents to re-complete the original application form

Of the 25 States with renewal forms specifically created for renewal, 12 States pre-print some sections with SCHIP eligibility information previously submitted by the parent at the initial enrollment. Thus, parents do not have to provide the same information again. Of the 17 States that require parents to re-complete the original application form, only one State provides a pre-printed form. The original application forms used for renewal were not distinctly marked to indicate that they were being used for renewal purposes. In comparison, we found that forms created for renewal purposes only were more user-friendly than the original application forms. Table 3 shows this comparison. (See Methodology and Appendix A for details.)

Table 3: Comparison of Renewal Forms and Original Applications for Renewing SCHIP Eligibility By Mail		
FORM CHARACTERISTICS	RENEWAL FORMS (n = 25 States)	RE-COMplete ORIGINAL APPLICATIONS (n = 17 States)
USES PREPRINTED INFORMATION		
Yes	48% (12)	16% (1)
No	52% (13)	84% (16)
AVERAGE FORM LENGTH	2 pages	4 pages
READING GRADE LEVEL		
Easy (5th - 8th)	32% (8)	29% (5)
Fair (9th - 10th)	48% (12)	23% (4)
Difficult (11th - 12th)	20% (5)	47% (8)
USABILITY		
Good	40% (10)	35% (6)
Fair	52% (13)	59% (10)
Poor	8% (2)	6% (1)
INCLUDES OF RIGHTS AND RESPONSIBILITIES*		
Yes	64% (16)	88% (15)
No	36% (9)	12% (2)

*"Rights and Responsibilities" certify that parents understand and authorize the conditions of eligibility.

Of the 42 States, 10 States⁹ have user-friendly forms, which we defined as having at least three of four form characteristics listed in Table 3: pre-printed information, shorter lengths, easy reading grade levels, and good usability. The 10 States have only 21 percent of the SCHIP children ever enrolled during the year 2001, which indicates that the majority of parents are faced with forms that are difficult to use.¹⁰ Only one of the 10 States belongs to the top 10 most populous States for SCHIP enrollees.¹¹

Parents Are Not Always Notified Of Final Renewal Outcomes

States are required to send a notice for disapproval of SCHIP renewal, but 20 States do not

SCHIP eligibility must be renewed at least every 12 months. If eligibility is denied, suspended, or terminated, SCHIP regulations at 42 CFR § 457.340 require States to send parents a written notice. We found that States take the following actions:

- 23 States send approval or disapproval notices to parents depending on the outcome of the renewal.
- 7 States send disapproval notices only.
- 9 States send approval notices only.
- 11 States do not send a final outcome notice.

The 11 States that do not send a final outcome notice instead send two or more follow-up notices that inform parents that SCHIP coverage will be discontinued if parents do not complete required renewal actions by a certain deadline. Without an outcome notice that clearly indicates disapproval or approval at the *end* of the renewal process, parents may make erroneous assumptions about whether their child is still eligible for SCHIP coverage. In addition, disenrollment information explains the reasons a case may have been discontinued, whether the parent can provide more information in order to show eligibility, or how to contest a disenrollment decision.

Although All 50 States Provide Children An SCHIP Card, Only 12 States Include An Expiration Date On The Card; 24 States Do Not Include The State SCHIP Program Name

Including coverage dates on SCHIP cards can be a powerful reminder to parents that SCHIP must be renewed and may prompt parents to contact their SCHIP offices if they do not receive renewal materials in a timely fashion. Despite all 50 States providing these cards¹² to enrolled children, only 12 States show both the effective and expiration dates of SCHIP coverage on the card. Nine States just show the effective date of the coverage on the card but not the expiration date.

States typically select a unique SCHIP program name that can appear on the card and help build program recognition. Unique SCHIP program names, such as Husky, MICHild, LaChip and Badger Care, help to reduce the perceived stigma of seeking public assistance. These unique SCHIP names also help parents identify correspondence related to the program. Although these unique names appear on renewal materials, only 24 States printed their designated SCHIP program name on the SCHIP card. Parents may be confused if the program name that appears on their card is different from the name on the renewal materials that they receive in the mail. In such situations, when parents receive SCHIP renewal materials and do not recognize the SCHIP name, they may simply disregard them.

Parent Access To SCHIP Renewal Information Via Telephone Customer Service And The Internet Is Limited

Obtaining SCHIP renewal information through States' SCHIP customer service telephone lines is challenging

Using telephone numbers obtained from renewal forms and notices, SCHIP cards, and State SCHIP web sites, we made a total of 257 telephone calls, with a minimum of four to each State. The results of our telephone calls to all 50 States' SCHIP customer service lines were:

- ▶ **54 percent** of calls resulted in obtaining requested general SCHIP renewal information. Based on our experiences, persons who provided us with the renewal information were almost always courteous and helpful.
- ▶ **28 percent** of the calls reached a person who was unable to provide general SCHIP renewal information and/or who told us to contact the case worker.
- ▶ **18 percent** of the calls resulted in a busy signal (7 percent), being on hold longer than 10 minutes (3 percent), or reaching a voice mail box (8 percent).

As indicated in the methodology section, we simulated parents' experiences, but we did not have a specific child's information nor could we reveal our identity. When we reached voice mail we were, therefore, unable to leave a message. Consequently, we were not able to determine if the telephone calls that reached voice mail (8 percent) would result in calls being returned to us.

We found that 19 States rely on case workers for the renewal process. In these States, case workers are the primary source for obtaining renewal information. Of the calls made to these 19 States, 55 percent resulted in obtaining requested SCHIP renewal information.¹³ In 26 percent of these calls, case workers would not provide us with renewal information, even general information, without specific identifying information for a child, such as a social security number. The remaining 19 percent of these calls resulted in reaching voice mail. We did not receive any returned calls from the case workers because we did not leave any messages on their voice mails.

Of the 34 States with automated telephone menus, none offered specific SCHIP renewal menu options

Our telephone calls reached one of the following three venues: an operator (16 States), an automated system with an operator (32 States), and an automated system with no operator (2 States). For those calls that reached an automated system, none offered specific renewal information or procedures, although eight of 34 States included a menu option for verifying eligibility status. Also, at times we were not sure if we had reached the SCHIP customer service telephone line since the initial greeting message from the automated

system or operator was not clear. For example, in one State the initial greeting is “consumer hotline” and another State uses “State resource line.”

Of 14 States that provide any renewal information on their State SCHIP web sites, only one State includes a sample renewal form and instructions

State SCHIP web sites emphasize enrolling new children in SCHIP but lack information about renewing eligibility for an already enrolled child.¹⁴ At the time of our review, three States’ SCHIP web sites were unavailable. Fourteen¹⁵ of 47 States provided SCHIP renewal information on the web sites. Of those 14 States’ SCHIP web sites, on average, it took passing through four to five web pages to reach the renewal information.

In reviewing the 14 States’ SCHIP renewal information on their SCHIP web sites, we found:

- ▶ 1 State provides comprehensive SCHIP renewal information, including renewal forms and user friendly instructions.
- ▶ 1 State provides a renewal form under a “Documents and Forms” section but it is difficult to access the form without prior knowledge of the exact web address or the name and number of the form.
- ▶ 2 States only provide the following information about renewal: “the client is enrolled for 12 months,” and “the client must re-enroll after one year”.
- ▶ 10 States simply mention that the client will be notified by mail when it is time to renew; this information is included either in a section on “Frequently Asked Questions” or as part of an on-line manual.

Offering renewal information on the State’s SCHIP web site can be valuable to other interested entities, such as community health centers, community-based organizations, hospitals or private health care providers for their own information as well as for providing assistance to parents. Also, the Internet can be a very useful resource for those parents who have access to it.

Conclusions

Renewing SCHIP coverage can be difficult for parents. We encountered difficulties obtaining information when we simulated parental contact even though we have greater knowledge of the system and are, therefore, better equipped to negotiate it. We identified problems with readability levels of renewal instructions and usability of forms. We noted the absence of written notification for parents regarding the outcome of the eligibility renewal process and helpful SCHIP information on SCHIP cards in some States. In addition, we identified problems with obtaining general renewal information from SCHIP customer service telephone lines and State SCHIP web sites. The SCHIP renewal process could be improved by making small modifications. Some States may already have implemented the recommended action or are planning on implementing it in the future.

OPPORTUNITIES FOR IMPROVEMENT

The Centers for Medicare & Medicaid Services (CMS) and the Health Resources and Services Administration (HRSA) are the two main agencies responsible for the SCHIP program. We offer to CMS and HRSA the following steps, which could improve the SCHIP renewal process.

CMS could:

- ▶ Take steps to ensure that States comply with the Federal regulatory requirement (42 CFR § 457.340) to issue final outcome notices if children are disenrolled.
- ▶ Complete and issue the CMS report for model application forms and notices. These models would assist States to develop forms and notices that meet the Federal regulatory requirement.

CMS and HRSA could encourage States to:

Continue to make the renewal process easier for parents.

- ▶ Use systematic guidelines to create forms that are written in plain language, offer adequate space for filling in information, provide easily read print size, and minimize duplicate information.
- ▶ Include SCHIP beginning and ending coverage dates on the SCHIP card.
- ▶ Include the unique SCHIP program name on the SCHIP card and on renewal correspondence - - or, at least, use one name consistently for easy recognition.

Provide parents easier access to needed renewal information.

- ▶ Add a telephone menu option specifically for SCHIP renewal to their automated telephone systems.
- ▶ Encourage caseworkers to leave a message on their voice mail so that they will accept incoming calls during a specified time period convenient for them.
- ▶ Include specific renewal sections in State SCHIP web sites.

ENDNOTES

1. Centers for Medicare & Medicaid Services website, www.CMS.gov.
2. Genevieve Kenney, Jennifer Haley. "Why Aren't More Uninsured Children Enrolled in Medicaid or SCHIP?" Washington, D.C.: The Urban Institute. *Assessing the New Federalism* Policy Brief B-35.
3. Mathematica Policy Research, ASPE SCHIP evaluation announcement. <http://www.mathematica-mpr.com>
4. In 2000, CMS awarded a contract to the Maximus Center for Health Literacy and Communications Technologies to develop English and Spanish model applications and notices for States that are beneficiary-based. CMS was scheduled to make these notices available to States in the Spring of 2002. In addition to the models, Maximus is also developing guidelines to assist States in creating effective written communications. These guidelines build upon the *Writing and Designing Print Materials for Beneficiaries* guide, released in 1999.
5. We did not include the District of Columbia, Puerto Rico, American Samoa, Commonwealth of Northern Mariana Islands, Guam, or Virgin Islands in this inspection.
6. Florida did not provide a renewal application form. Rhode Island and Virginia did not provide sample SCHIP cards.
7. There are six Combination Program Type States (CA, IA, IL, MI, ND, TX) that utilize two offices to handle SCHIP (Medicaid expansion and a Separate component of SCHIP) and that also use two separate forms for renewal. We only reviewed the Separate SCHIP Program Type component for these States. The Medicaid expansion program forms are not included in the analysis.
8. Chi Square test result was not significant.
9. The 10 States that have user-friendly forms are AK, IA, ID, IL, KS, LA, NE, TX, UT and WA.
10. This percentage is calculated based on number of children ever enrolled in SCHIP during the year 2001 in the 42 States that use forms for renewal. This information was obtained from the State Children's Health Insurance Program Annual Enrollment Report, Federal Fiscal Year (FFY) 2001: October 1, 2000 - September 30, 2001, Centers for Medicare & Medicaid Services, February 2002.
11. Texas is the one State out of the group with user-friendly forms that is also one of the ten most populous States in terms of children ever enrolled in SCHIP. The ten most populous SCHIP enrollee States in FFY 2001 were CA, FL, GA, MA, MD, MO, NY, OH, PA and TX. This

information was obtained from the State Children's Health Insurance Program Annual Enrollment Report, Federal Fiscal Year (FFY) 2001: October 1, 2000 - September 30, 2001, Centers for Medicare & Medicaid Services, February 2002.

12. Virginia and Rhode Island have SCHIP cards, but they did not send us a sample card.
13. We obtained the case worker's telephone number from the following initial sources: 10 States were from SCHIP cards, 3 States were from renewal materials and 6 States from SCHIP web sites.
14. We initially surveyed State web pages during the last week of August 2001 and then again in December 2001 to determine if we could find SCHIP renewal information on these web sites. In both August and December, one State did not have an SCHIP web site and one State's web page was 'under construction.' In December, an additional State's web page was under construction. All other States had web pages for SCHIP - of these 48 States, in August, 12 State's web sites specifically mentioned the renewal process in some form. In December, 14 States mentioned the renewal process in some form, representing a slight gain over a three-month period.
15. The 14 States are AK, CA, CT, IN, KY, MN, MT, NJ, NC, ND, OH, TX, WV and WY. Alaska provides the most comprehensive web site for SCHIP renewal information.

SCHIP Forms at Renewal Time
(August 30 - September 30, 2001)

	<u>Type of SCHIP Program</u>	<u>Approach at Renewal Time</u>	<u>Content*</u>	<u>Analysis Measures</u>		
				<u>Readability (a)</u>		<u>Usability (b)</u>
				Ease Scale (0-100 best)	Grade level (7 th - 8 th is standard)	
AK	Medicaid	Renewal form	Pre-print	46.6	11	good
AL	Combination	Renewal form	Blank	58.3	10.3	fair
AR	Medicaid	Renewal form	Blank	43.9	10	fair
AZ	Separate	Renewal form	Blank	57.9	8.9	fair
CA	Combination	Renewal form	Blank	47.7	11.5	fair
CO	Separate	Original form	Blank	64.1	8.3	fair
CT	Combination	Original form	Blank (c)	62.2	8.3	fair
DE	Separate	Original form	Blank	33.5	12	good
FL	Combination	Continued	(No Info)			
GA	Separate	Continued	N/A	55.6	9	n/a
HI	Medicaid	Original form	Blank	30.7	12	fair
IA	Combination	Renewal form	Pre-print	80.2	5.2	good
ID	Medicaid	Renewal form (d)	Pre-print	83	5.5	good
IL	Combination	Renewal form	Pre-print	43.4	12	good
IN	Combination	Renewal form (e)	Blank	59.6	9.9	fair
KS	Separate	Original form	Blank	66.2	7	good
KY	Combination	In-person	N/A	55.4	10.2	n/a
LA	Medicaid	Renewal form	Blank	68.5	7	good
MA	Combination	Original form	Blank	62.3	9.6	fair
MD	Combination	Original form	Blank	64.3	8.5	fair
ME	Combination	Renewal form	Blank	54.8	8.8	fair
MI	Combination	Renewal form	Pre-print	58.9	9.8	good
MN	Medicaid	Renewal form	Blank	61.3	8.4	fair
MO	Medicaid	Renewal form	Blank	43.3	10	fair
MS	Combination	Continued	N/A	55.6	9	n/a
MT	Separate	Original form	Blank	40.5	11.8	poor
NC	Separate	Renewal form	Blank	56.9	10	fair
ND	Combination	Renewal form	Pre-print	56.2	9.1	fair
NE	Medicaid	Renewal form	Blank	70.3	7	good
NH	Combination	Original form	Blank	49.6	11.3	fair
NJ	Combination	Continued (f)	Pre-print	41.9	12	good

	<u>Type of SCHIP Program</u>	<u>Approach at Renewal Time</u>	<u>Content*</u>	<u>Analysis Measures</u>		
				<u>Readability (a)</u>		<u>Usability (b)</u>
				Ease Scale (0-100 best)	Grade level (7 th - 8 th is standard)	
NM	Medicaid	Original form (g)	Blank	39.3	11.9	good
NV	Separate	Continued (f)	Pre-print	63.4	8.2	good
NY	Combination	Original form	Blank	56.1	9.9	fair
OH	Medicaid	Original form	Blank	45.4	11.4	fair
OK	Medicaid	Renewal form	Blank	48.1	10.3	poor
OR	Separate	Original form	Blank	68.3	7	fair
PA	Separate	Renewal form	Blank	52.2	9.7	good
RI	Medicaid	Renewal form	Blank	63.6	7.7	fair
SC	Medicaid	Continued	N/A	68	8	n/a
SD	Combination	Renewal form	Blank	43.5	11.4	fair
TN	Medicaid	In-person	Blank	69.7	7.8	poor
TX	Combination	Renewal form	Pre-print	66.5	8.4	good
UT	Separate	Renewal form	Pre-print	61.1	8.7	good
VA	Separate	Original form	Pre-print	50.1	12	good
VT	Separate	Original form	Blank	54.6	9.7	fair
WA	Separate	Original form	Blank	64.3	8.2	good
WI	Medicaid	Original form	Blank	46	11.1	good
WV	Separate	Renewal form	Pre-print	69.1	7.1	poor
WY	Separate	Renewal form	Pre-print	47.4	10.9	fair

*Content: States using pre-printed information contain most recent application and account information on the client. If the information is still correct, the parent is required to sign and date the form and send it back. However, if the information has changed, parents are instructed to cross out and write in new information and return the form.

(a) Readability is an objective measure using the Microsoft® Word readability program which provides scores using the Flesch Reading Ease Scale and the Flesch-Kincaid Index.

(b) Usability of the form was rated according to 'white spaces' on the form, readability of font size, and adequacy of the fields for information requested. See Methodology section of the report.

(c) CT has very little pre-printed information provided on form. It is mostly blank.

(d) ID uses multiple methods. A form is required if changes in circumstances and will allow continued eligibility.

(e) IN uses renewal forms, but encourages in-person office visit. They also allow clients to renew over the telephone and update new information.

(f) NJ and NV use a continued automatic approach unless the parents report changes to their circumstances, although parents must respond with a signature to continue coverage. These States have a renewal form, however, it is not required unless the parent has a change of circumstances.

(g) NM requires the form or an in-person renewal visit.

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