



Minnesota Supporting Families After Welfare Reform Program Sought to Remove Obstacles to Families Keeping Health and Food Stamp Benefits

Supporting Families After Welfare Reform: Access to Medicaid, SCHIP, and Food Stamps

SUMMARY

Although many people leaving welfare under the 1996 federal welfare reform legislation retained eligibility for such programs as Medicaid, the State Children's Health Insurance Program (SCHIP) and Food Stamps, studies suggested that from one-half to two-thirds of people leaving welfare were losing these benefits.

The Robert Wood Johnson Foundation (RWJF) designed a national program, *Supporting Families After Welfare Reform: Access to Medicaid*, SCHIP and Food Stamps, to remove administrative obstacles that prevent low-income families from securing health and Food Stamp benefits. In January 2000, RWJF's Board of Directors authorized \$5.9 million for the program.

From January 2001 through September 2004, staff at the Minnesota Department of Human Services analyzed data regarding the reasons for the high rate of administrative-related denials and terminations in Medicaid and MinnesotaCare, and tested strategies to reduce those denials and terminations. As a result, staff at the Department of Human Services:

- Revised client notices.
- Rewrote eligibility manuals.
- Created an online training program for workers.
- Established a [website](#) through which beneficiaries could pay health premiums online.

Key Results

The team and workgroup members worked with human services department staff and:

- Incorporated the text of new notices into the state's health program computer system.
- Rewrote the eligibility policy manual and put it online.
- Created an "E-Learning" experience, in which staff participates in training online.
- Through the reminder calls, reduced denials for failure to comply with administrative procedures by 37 percent, compared to the previous five-month average.
- Created a website that allows recipients to pay their MinnesotaCare health care premiums online by credit card or by authorizing payment from their checking account.

Funding

RWJF provided two grants totaling \$308,324 to the department.

THE PROBLEM

In 1996, Congress enacted welfare reform legislation (the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) that:

- Ended the longstanding federal entitlement to welfare benefits.
- Delegated policy and operational authority to the states.
- Emphasized helping welfare recipients find work.

According to the U.S Department of Health and Human Services, the number of families receiving welfare dropped by 44 percent between August 1996 when the legislation passed, and September 1999.

Welfare reform aimed not only to reduce families' dependence on publicly financed benefits but also to require work in exchange for time-limited cash assistance.

Many people leaving welfare under the new rules continued to be eligible for Medicaid and Food Stamps. These programs can improve a family's ability to sustain the transition to self-sufficiency. But after leaving welfare, from one-half to two-thirds of former welfare recipients were losing these benefits, according to researchers at [Mathematica Policy Research](#).

According to Mathematica, Medicaid enrollment for children and their parents began to decline in 1996 for the first time in almost 10 years. In 1999, the number of people receiving Food Stamp benefits reached its lowest level in 20 years.

According to national program office staff at the [Southern Institute on Children and Families](#), technical problems in state data systems and confusing eligibility procedures in social services offices resulted in denial of health care coverage or Food Stamp benefits for many families.

Technical problems included poor coordination among the various state information systems (e.g., Food Stamps, Medicaid), as well as between state and county offices.

Application forms and notices were often written to accommodate legal requirements and were so difficult for families to understand that many did not know what they had to do to secure benefits.

The Minnesota Department of Human Services oversees 87 county agencies and one tribal agency that administer welfare, Food Stamps and Medicaid benefits. The state itself administers MinnesotaCare on behalf of most, but not all counties. According to staff at the Minnesota Department of Human Services, in 2000, 44 percent of Medicaid terminations and 40 percent of Medicaid application denials resulted from failure to complete the administrative process of applying for or re-enrolling for benefits. During the same year, 23 percent of MinnesotaCare terminations and 32 percent of its application denials were for the same reason.

CONTEXT

For more than 30 years, RWJF has been concerned about Americans' lack of access to affordable and stable health care coverage. RWJF has funded studies, demonstration projects and symposia about this problem.

For example, in 2000, RWJF provided grant support to researchers at the [Nelson A. Rockefeller Institute of Government](#) (the Rockefeller Institute). Researchers at the Rockefeller Institute studied the effects of state implementation of welfare reform on Medicaid enrollment among low-income adults and children, and found that enrollment of low-income adults and children dropped after welfare reform, then began to increase in 1998 (see [Program Results](#) on ID# 038230).

In 1997, Congress funded the State Children's Health Insurance Program (SCHIP) with the aim of providing health insurance coverage to children who were not eligible for private or other public insurance programs. That same year, RWJF created [Covering Kids®](#). In 2001, RWJF reshaped the program and renamed it [Covering Kids & Families®](#), reflecting its commitment to help states also cover parents and other adults who work in jobs that do not provide health coverage for them or their children.

Through its national program *State Coverage Initiatives*, RWJF assisted states in planning, executing and maintaining health insurance expansions, as well as in improving the availability and affordability of health care coverage.

RWJF also created:

- *State Solutions: An Initiative to Improve Enrollment in Medicare Savings Programs* (see [Program Results](#)).
- *Communities in Charge: Financing and Delivering Health Care to the Uninsured* (see [Program Results](#)).
- *The Access Project : National Access to Care Initiative* (see [Program Results](#)). (RWJF's funding ended in 2003.)

THE PROJECT

The goal of *Supporting Families After Welfare Reform* is to help public agency staff in states and large counties solve problems in eligibility processes that make it difficult for low-income families to access and retain benefits from Medicaid and SCHIP, or Food Stamps, particularly families moving from welfare to work.

Between 2000 and 2002, the Minnesota Department of Human Services received two *Supporting Families* grants totaling \$311,898 to create and analyze data regarding the reasons for the high rate of administrative-related denials and terminations in Medicaid and MinnesotaCare, to test and evaluate strategies to reduce those problems and to institutionalize strategies that proved most effective.

State staff identified two goals for the project:

- Reduce by 5 percent the number of families denied or terminated from Medicaid and MinnesotaCare for failure to complete administrative processes.
- Increase by 5 percent the number of families who are referred to MinnesotaCare after losing Medicaid eligibility.

A team of three staff members from San Bernardino County participated in a [Breakthrough Series Collaborative](#) directed by the [Southern Institute on Children and Families](#), the *Supporting Families* national program office. During this collaborative problem-solving process, the national program office brought together 10 teams of health and social services staff from the states and counties selected to participate as sites in *Supporting Families*, including San Bernadino, and a team from the Washington grantee of *Covering Kids & Families*.

The teams and national program staff selected a common topic area for improvement: maximizing the enrollment and retention of adults and children in Medicaid and the State

Children's Health Insurance Program. Over the course of about a year, Minnesota's team participated in a series of face-to-face sessions during which they worked with colleagues from other *Supporting Families* sites and a faculty of experts in the topic area to devise strategies to reduce the number of families losing public health benefits for which they are eligible. Between sessions, team members tested and evaluated the strategies developed through the collaborative.

The Breakthrough Series Collaboratives use a change model developed by a private firm, [Associates in Process Improvement](#) that incorporates Dr. W.E. Deming's Plan-Do-Study-Act model. Team members create small-scale tests with specific aims and measures of improvement that are easy to conduct in their home organization. The pilot tests provide feedback quickly, usually within a few weeks. Over time, the teams refine their strategies based on tests results, shared group learning and input from expert collaborative faculty. Strategies that are proven to achieve the team goal are implemented throughout the organization where appropriate.

During the course of the project, the state of Minnesota suffered from budget shortfalls. This result in loss of department staff, renewed emphasis on assuring that ineligible people did not receive benefits, and eligibility changes to reduce caseload growth. In addition, staff from two state unions went on strike, during which time no department staff members were available for project work. These reductions and staff shortages prompted Minnesota's team to revise its strategy. The team convened a workgroup comprised of representatives from two Minnesota counties, staff from health clinics serving low-income people and staff from agencies that provided outreach and advocacy services to low-income residents. This workgroup determined that the project's goal should be refined to identify and implement improvements that would not require legislative action. They used the Plan-Do-Study-Act framework to:

- Test the use of over-the-telephone applications for benefits.
- Survey outreach and eligibility workers to identify what they perceived as barriers to enrollment and their gaps in understanding of eligibility rules.
- Test the use of reminder calls to families whose applications were in danger of being denied due to lack of verification.
- Interview applicants and recipients in waiting rooms to obtain feedback about ways to improve client notices, revise notices to improve clarity, conduct small tests of revised notices, and refine the notices based on test results.

RESULTS

Over the course of the project, team and workgroup members worked with human services department staff and:

- **Incorporated the text of new notices into the state's health program computer system.**
- **Rewrote the eligibility policy manual and put it online.**
- **Created an "E-Learning" experience, in which staff participates in training online. Under E-Learning, the automated system registers trainees electronically, and tracks their progress and results.** Training staff is available by telephone to respond to questions if trainees run into problems.
- **Through the reminder calls, reduced denials for failure to comply with administrative procedures by 37 percent compared to the previous five-month average.** Although the reminder call project ended due to staffing shortages, the department is building a special reminder mailing into its new computer system and plans to create a statewide call center that will accept telephone applications for benefits and place reminder calls for verifications when necessary.
- **Created a website that allows recipients to pay their MinnesotaCare health care premiums online by credit card or by authorizing payment from their checking account.** With guidance from national program staff about how to analyze state administrative records, department staff learned that many people were losing MinnesotaCare benefits because they had not paid their premiums on time. Department staff designed the website for payment and pilot tested it in selected counties. Based on a positive response to the pilot test, the department implemented this new payment system statewide.

EVALUATION

Researchers at Bryn Mawr College in Bryn Mawr, Pa., conducted a qualitative evaluation of Supporting Families through telephone interviews, examining documents and website postings, and by attending program meetings. They produced a mid-term evaluation report in 2003. There were no results specific to sites. See the Evaluation section in the [Program Results](#) for a summary of general findings.

LESSONS LEARNED

Project lessons were provided by the project director, Jane Martin.

1. **Changing state systems takes a long time, but what appear as only small changes at the outset can and do lead to large changes later on.** For example, what started as small changes in client notices were ultimately systematically and universally

incorporated into the state computer system that issues notices to all beneficiaries. When one small change demonstrates positive results, that change prompts others and creates momentum that in the long term can lead to significant improvements.

2. **Creating a collaborative group to establish goals and support activities can benefit not only the original project but also other projects as well.** Because community advocates, health care providers and front-line staff were involved in setting project goals and activities, it was easier for department staff to solicit their involvement in interviewing recipients, testing telephone applications and placing reminder calls to recipients. The relationships established in this collaborative have been useful to the department in subsequent projects.
3. **Department staff found the "Plan-Do-Study-Act" model for change to be freeing and effective.** It provided a new model for change, one that allows staff to try a number of approaches and evaluate them immediately.
4. **State and county staff members enjoy and benefit from structured opportunities to meet and work with colleagues from other states.** The focus and frequency of the Breakthrough Series Collaborative face-to-face sessions over time helped participants get to know each other, learn from each other and draw from each other's experiences.

AFTERWARD

Department staff continue to revise agency manuals and client notices and is incorporating the revised notices into the state's welfare eligibility system. The department also plans to translate notices into Spanish.

Prepared by: Mary Nakashian

Reviewed by: Janet Heroux and Marian Bass

Program Officer: Lori K. Grubstein

Former Program Officers: Linda Bilheimer, Michael Rothman and Karen Davenport

Grant ID # 40752, 45368

Program area: Coverage
