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State Senate Hearing on the Implementation
of the New York State Health Insurance Exchange
Monday, January 13, 2014

Submitted to Senators Kemp Hannon and James L. Seward
Submitted by Gwen O'Shea, President/CEO,
Health and Welfare Council of Long Island

The Health and Welfare Council of Long Island (HWCLI) thanks Senators Hannon and Seward for the opportunity to provide feedback on the state's new health insurance marketplace and the ongoing implementation of the federal Affordable Care Act.

HWCLI, which was founded in 1947, is the umbrella agency for health and human service providers across Long Island that serve the interests of the most vulnerable and at risk in our communities. Prior to the implementation of the Affordable Care Act, HWCLI served for a decade as a contractor in the New York Department of Health's Facilitated Enrollment program, helping Long Islanders enroll in Medicaid, Child Health Plus and Family Health Plus. Currently, HWCLI is providing application assistance to Long Islanders enrolling in Medicaid, Child Health Plus and the new Qualified Health Plans through the marketplace as both a subcontractor in the state's Navigator Program and a grant from the New York State Health Foundation.

Through this work, HWCLI is closely observing how the changes in federal law and state health care programs are affecting Long Islanders, particularly the most vulnerable and at risk. HWCLI respectfully submits for consideration the following feedback related to marketplace implementation and the impact that the Affordable Care Act has had on New Yorkers.

1) Reaching Those Eligible for Coverage: Outreach and Education for Underserved Populations and Communities

For the most vulnerable and at risk on Long Island, the marketplace, with its federal subsidies for eligible applicants, and the Medicaid expansion represent landmark opportunities for better health. Together, these developments have given uninsured and underinsured New Yorkers access to affordable, high-quality, comprehensive health coverage, many for the first time. The Medicaid expansion in particular is allowing more low-income New Yorkers, notably individuals and couples without children who are living just above the poverty line, to acquire insurance.



Research has found that uninsured people generally have worse health outcomes than those with coverage. In fact, some studies indicate that as many as 44,500 deaths per year in the United States are linked to a lack of health insurance.¹

It is estimated that 146,000 Long Islanders will eventually gain new coverage through the state's marketplace, with nearly 50,000 already enrolled. New York's marketplace has been widely acknowledged as one of the best-run state systems. HWCLI joins in praising the New York State of Health for the admirable start.

While there are clear successes, it's important that the state and advocates continue to build on those successes to ensure that all eligible New Yorkers, in particular the most vulnerable and at risk, have the information they need to access the marketplace and enroll in health insurance. As the marketplace expands its outreach in 2014, HWCLI urges the state to initiate innovative ways to educate underserved and vulnerable communities and populations, including seniors, veterans, people who are Limited English Proficient and people with disabilities. One idea to enhance outreach would be to expand public-private partnerships such as the network of organizations that have received funding through the New York State Health Foundation. This already-formed group represents an excellent opportunity for the state to collaborate with local organizations that have long-standing and trusted relationships in the community.

Another way that New York State could reach more eligible New Yorkers is to use data from the Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) to determine whether people meet the income guidelines for Medicaid, as stated in a recent FamiliesUSA report titled "Using SNAP (the Supplemental Nutrition Assistance Program) to Enroll Adults in Medicaid." Nearly everyone younger than 65 whose incomes are low enough to qualify for SNAP are also eligible for Medicaid. States can now request approval from the federal Centers for Medicare and Medicaid Services to use data from SNAP to enroll people in Medicaid without having to re-determine whether they meet income guidelines. This practice would eliminate repetitive application and verification procedures. As of November 2013, five states had been approved to do this: Arkansas, Illinois, New Jersey, Oregon and West Virginia.

There are a variety of ways the state could use the SNAP data. For example, according to the FamiliesUSA report, West Virginia sent 118,000 letters to SNAP participants and to parents of children receiving Medicaid. The letter, which was written at a fifth-grade reading level, asked people to sign and return the letter if they wanted the state to determine their eligibility and enroll them in Medicaid. State employees made follow-up telephone calls to everyone who received the letter.

2) Offering Recertification Assistance for People Enrolled in Medicaid Before Jan. 1, 2014

Even before New York State expanded Medicaid, millions of New Yorkers, including more than 420,000 Long Islanders as of August 2013, were already enrolled in the program. Before this year, significant government dollars were invested in Medicaid recertification outreach and application assistance, through both the Facilitated Enrollment and Reach-Out programs. Great efforts were made through these programs to educate New Yorkers about the importance of continuing their coverage.

¹ Bernstein, Jill, Deborah Chollet, and Stephanie Peterson. "How Does Insurance Coverage Improve Health Outcomes?" Mathematica Policy Research Issue Brief. April 2010. http://www.mathematica-mpr.com/publications/PDFs/health/reformhealthcare_IB1.pdf

However, under the new marketplace-centered system, there are no government-funded programs to assist with recertifications for this group (people enrolled in Medicaid before Jan. 1), and this population cannot yet use the marketplace to recertify. This leaves millions of New Yorkers on their own in the Medicaid recertification process this year, which could have negative consequences. Historically, without assistance and education, Medicaid recipients were more likely to let their coverage lapse, often because of issues such as high levels of mobility and language barriers. If this occurs, people could be forced to delay needed health care because of an inability to pay for services or improperly use overburdened hospital emergency departments. These results run counter to some of the most important goals of the Affordable Care Act, including to lower the number of people lacking insurance and to create a continuum of coverage options so that low-income people do not experience gaps.

Additionally, if pre-Jan. 1 Medicaid enrollees lose their coverage because they fail to recertify, they will have to use the marketplace as a new enrollee into Medicaid to regain their coverage. This could place a heavy burden on the marketplace at a time when demand under the Medicaid expansion and for the Qualified Health Plans is already very high.

HWCLI recommends that the state address these issues by funding in-person assisters to help with these paper recertifications, working with the local Department of Social Services, until a streamlined, efficient method for recertification is created on the marketplace.

3) Creating a Basic Health Program

There are low-income New Yorkers who do not qualify for Medicaid but are finding the premiums and out-of-pocket costs for health plans in the marketplace difficult to afford. Some of these people were previously insured under plans that are no longer available, including Healthy New York.

The Affordable Care Act provides a solution to this affordability challenge: States have the option of creating a Basic Health Program to provide coverage for those making between 133 percent and 200 percent of the federal poverty level (\$25,975 to \$39,060 for a family of three as of 2013) that is even more affordable than the private Qualified Health Plans being offered through the marketplaces. State residents within this income bracket, which is just above the threshold for Medicaid, would select health coverage through the Basic Health Program, rather than a Qualified Health Plan. Just like the Qualified Health Plans, Basic Health Program plans are mandated to have essential health benefits, ensuring quality coverage for low-to-moderate income consumers, but will have lower out-of-pocket costs for premiums and cost-sharing.

HWCLI stands with advocates across the state, including Medicaid Matters New York and Health Care for All New York, and urges the state to create a Basic Health Program, with plans offered through the marketplace.

4) Increasing Access to Health Care

Great strides have been made by the state thus far in this new initiative to increase the number of New Yorkers who have health insurance. Coverage is an important component of helping people gain access to the care they need to lead healthy lives. However, insurance alone does not ensure access to this care. Research tells us that newly insured New Yorkers will likely encounter other barriers, such as a lack of available providers and a lack of providers who are culturally competent. On Long Island, the

most vulnerable and at risk also face the particular challenges that a suburban setting creates, including long travel distances to health care providers and a lack of accessible public transportation. HWCLI urges the state to stay abreast of these additional access issues as New Yorkers begin to use their new insurance and address them with the help of regional leaders, including by holding hearings similar to this one to assess progress and challenges in a timely fashion.

In closing, on behalf of HWCLI, I thank you for the opportunity to provide testimony through this hearing.