Presumptive Eligibility Toolkit for Hospitals
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The New Hospital Presumptive Eligibility Opportunity: A Toolkit for Hospitals

The Affordable Care Act brings many opportunities for hospitals to become even more active in enrolling people in the coverage they need. One of these new opportunities allows hospitals to enroll patients who are likely to be eligible in Medicaid for a temporary “presumptive eligibility” period using a vastly simplified application.

As part of our ongoing commitment to provide enrollment stakeholders like hospitals the tools they need to maximize the number of Americans who enroll in health coverage, Enroll America has put together this toolkit, which is designed to help hospital administrators understand and make the most of this unique opportunity.

We hope that this toolkit provides hospital administrators with information and guidance on implementing the new presumptive eligibility option. Hospitals have always played—and will continue to play—an important role in connecting patients to health care and health coverage. Hospitals are invaluable partners in the effort to maximize the number of people who enroll in reliable, comprehensive health coverage.

Acknowledgements

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The New Opportunity for Hospitals

Highlights
- Introduction.
- How will PE Work?
- PE with Streamlined Enrollment.

Introduction

Starting in 2014, hospitals will have a new opportunity to better connect eligible patients to Medicaid. Using presumptive eligibility (PE), hospitals will be able to enroll patients who are likely to be eligible in Medicaid immediately, without waiting for an eligibility determination from the state. A patient provides some basic information about his or her income and household size, and if the patient appears likely to be eligible for Medicaid based on this information, a hospital can determine that individual to be “presumptively eligible” for Medicaid. The hospital will get paid for the services provided, just as though the patient were already enrolled in Medicaid.

New Opportunity Starting in 2014

For years, states have had the option to use presumptive eligibility to connect pregnant women and children to Medicaid. Starting in January 2014, the Affordable Care Act gives hospitals a unique new opportunity to use presumptive eligibility to connect all patients to Medicaid, as long as they appear to meet the state’s income guidelines for Medicaid eligibility. Hospitals in any state can elect to make these determinations—regardless of whether the state expands Medicaid eligibility or exercises the existing ability to allow presumptive eligibility for other populations or settings. Hospitals must agree to abide by state policies and procedures, but the choice to make presumptive eligibility determinations rests with each individual hospital, not with the state.
How Will PE Work?

The figure below shows how an individual might go through the process of receiving care at a hospital that uses presumptive eligibility.

The patient provides basic information—name, contact information, date of birth, household size, and monthly income—to an intake worker at the hospital who then assesses "on the spot" whether the person has an income at or below Medicaid income eligibility guidelines for the state. If so, the intake worker determines the individual to be presumptively eligible for Medicaid for a temporary period.

An individual's temporary eligibility period lasts until the end of the month following the month in which the presumptive eligibility determination was made. For example, if the determination was made on March 10, the
An individual would remain eligible as though he or she were fully enrolled in Medicaid until April 30. All services that are usually covered by Medicaid are covered during this temporary eligibility period. During this time, hospitals will be paid—at regular Medicaid rates—for the services they provide, regardless of a person’s ultimate Medicaid eligibility determination.

During the temporary eligibility period, the patient will also be able to receive treatment from other Medicaid providers after he or she leaves the hospital (which could mean the difference between successful follow-up care and an unnecessary readmission). But it is critical—and may be a requirement, depending on state policies—that hospitals work with patients to ensure they complete the full Medicaid application before their temporary eligibility period ends.

**PE with Streamlined Enrollment**

The Affordable Care Act ushers in new eligibility and enrollment requirements that will make it quicker and easier for many consumers to enroll in Medicaid. An online application and modernized eligibility systems may deliver real-time eligibility determinations for the first time in many states. While real-time determinations are not always possible, depending on the complexity of the case and a state’s eligibility system, presumptive eligibility gives patients who are seeking care in a hospital the opportunity to enroll in Medicaid immediately. They can get the services they need while a full Medicaid determination—which could take weeks—is being processed. This also guarantees ensures that the hospital gets paid (at Medicaid rates) for all services rendered during the temporary eligibility period.

**Federal Law and Regulations**

**Highlights**

- Statutory Authority and Related Federal Rules for the New Option
- What do the federal rules allow hospitals to do?
- Sample PE Application
- What is a “qualified hospital”?
- Who can be determined presumptively eligible for Medicaid?
- How will a hospital be paid when providing services to those determined presumptively eligible?
- What rules do hospitals have to comply with?
- How is the hospital PE requirement different from the state option to allow PE for other qualified entities?
Statutory Authority and Related Federal Rules for the New Option

- **Statutory authority:** Patient Protection and Affordable Care Act, Public Law 111-148 (March 23, 2010), as modified by the Health Care and Education Reconciliation Act of 2010, Public Law 111-152 (March 30, 2010), Title 2, Subtitle A, Section 2001(a)(4)(B) and Title 2, Subtitle A, Section 2202.

- **Federal regulations:** Eligibility in the States, District of Columbia, the Northern Mariana Islands, and American Samoa, 42 CFR 435.1110 (2013).

- **Medicaid State Plan Amendment Template** and Implementation Guide.

What do the federal rules allow hospitals to do?

- The Affordable Care Act and subsequent regulations allow qualified hospitals (those that accept Medicaid) to make presumptive eligibility determinations.

- Qualified hospitals may determine an individual to be presumptively eligible for Medicaid based on basic preliminary information provided by the individual. See Figure 2.

<table>
<thead>
<tr>
<th>APPLICATION FOR PRESUMPTIVE ELIGIBILITY ONLY</th>
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<tbody>
<tr>
<td>SECTION A. APPLICANT INFORMATION</td>
</tr>
<tr>
<td>Name: ____________________________________</td>
</tr>
<tr>
<td>Social Security number: ____________________</td>
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<tr>
<td>Mailing address: __________________________</td>
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<td>Telephone number: __________________________</td>
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<tr>
<th>SECTION B. HOUSEHOLD INCOME INFORMATION</th>
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<tbody>
<tr>
<td>1. Did you or any family member live in your household at the time of the interview? Y/N</td>
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<td>2. Were you or any family member covered under a plan that provided health care benefits? Y/N</td>
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<td>3. Were you or any family member in your household is a member of a federally recognized tribe? Y/N</td>
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<tr>
<th>COLUMN A</th>
<th>COLUMN B</th>
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<tr>
<td>Name: Last, First, Middle Initial</td>
<td>Relationship</td>
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<td>SELF</td>
<td>UNBORN</td>
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STOP! THIS COMPLETES YOUR APPLICATION FOR PRESUMPTIVE ELIGIBILITY STOP!!

Hospitals can elect to make presumptive eligibility determinations regardless
of whether the state in which the hospital operates has elected to use presumptive eligibility more broadly.

What is a “qualified hospital”?
- A “qualified hospital” is a hospital that participates in Medicaid—either through a state plan or through a Medicaid section 1115 waiver.

Who can be determined presumptively eligible for Medicaid?
- Hospitals that elect to make presumptive eligibility determinations may use it for income-based Medicaid eligibility for children, pregnant women, parents and caretaker relatives, and other adults (populations for which eligibility is based on modified adjusted gross income (MAGI)).
  - Hospitals are permitted to make PE determinations for the above groups regardless of who a state allows PE determinations to be made.
  - States may also allow hospitals to use PE for additional groups of individuals as well, including those whose eligibility is not based on MAGI (such as people eligible through a disability-related pathway or through a Medicaid 1115 waiver).

How will a hospital be paid when providing services to those determined presumptively eligible?
- Hospitals will be paid at regular Medicaid rates.
- Payment for services is guaranteed for a hospital during an individual’s presumptive eligibility period, even if the person fails to complete the full Medicaid application or is ultimately determined to be ineligible for Medicaid.
- States will not be permitted to recoup money from the hospital for services rendered during the presumptive eligibility period.

What rules do hospitals have to comply with?
- States must provide qualified hospitals with information on all policies and procedures related to presumptive eligibility.
- A hospital must inform the state Medicaid agency that it intends to make presumptive eligibility determinations and that it agrees to follow the state’s policies and procedures.
- Hospitals must tell individual patients how to apply for and obtain a full Medicaid application. A state can also establish policies that require hospitals to assist those individuals in completing the full Medicaid application.
- State Medicaid agencies can establish standards for hospitals that make presumptive eligibility determinations.
  - In particular, the state may impose standards related to the accuracy of a hospital’s presumptive eligibility determinations, which may be based on the proportion of individuals determined to be presumptively eligible for Medicaid who either submit a regular Medicaid application before...
the end of the presumptive eligibility period or who are determined eligible for Medicaid by the state Medicaid agency.

- If a hospital is not making (or is “not capable of making”) presumptive eligibility determinations in accordance with these state policies and procedures, the state cannot disqualify the hospital from using the option until it has provided the hospital with additional training or taken other corrective action.
- The state may also develop proficiency standards, trainings, and audits with which hospitals must comply.
- States may adopt policies that would require individuals to attest their immigration and residency status to a hospital before being given a presumptive eligibility determination.

How is the hospital PE requirement different from the state option to allow PE for other qualified entities?

- In addition to the hospital PE requirement, the Affordable Care Act also gives states a new option to allow qualified entities—including, but not limited to hospitals—to conduct presumptive eligibility determinations for income-based Medicaid eligibility as long as the state uses presumptive eligibility for pregnant women or children. For more about the state option, see Presumptive Eligibility: New Options in 2014.

Working with Your State Medicaid Agency

**Highlights**

- Meeting with Your Medicaid Agency
- Sample Agenda for Medicaid Agency Meeting
- Working with Other Hospitals in Your State

**Meeting with Your Medicaid Agency**

Hospitals that want to implement the new presumptive eligibility opportunity are required to work with their state Medicaid agency to develop policies and procedures for how hospital-based PE will work. In states where presumptive eligibility is already permitted for children and/or pregnant women, hospitals may be able to use existing policies as a guide. States that have not used presumptive eligibility will need to develop policies and procedures.

All states must submit a Medicaid State Plan Amendment (SPA) that pertains to how the new hospital PE option will work in the state. The SPA template can be found [here](http://www.enrollamerica.org), and covers a state’s decisions related to which populations for which presumptive eligibility determinations can be made, whether hospitals are required to assist individuals in the completion of the full application, and the length of presumptive eligibility periods. More details [here](http://www.lockheedmartin.com).
Tip
It may be beneficial to work with other hospitals in your state as part of approaching the Medicaid agency. This is especially true if some hospitals in your state are already using presumptive eligibility for children and/or pregnant women. See our map for more information about which states have already elected to use presumptive eligibility.

about states’ choices on the template are available in a related implementation guide. The SPA that a state submits to CMS can provide hospitals with guidance on how presumptive eligibility will work in their state, although hospitals need not wait for their state to submit the SPA to begin the conversation.

Hospitals that want to make presumptive eligibility determinations should reach out to their state Medicaid agency to set up a meeting. A sample agenda for such a meeting on the next page. The SPA template may provide a helpful starting point for conversations.

Sample Agenda for Medicaid Agency Meeting

Notification
- How does the state prefer that hospitals notify them of intent to make presumptive eligibility determinations?
  - What other agencies are involved in authorizing a hospital to make PE determinations?
  - What should be included in the hospital’s proposed plan?

Making Determinations
- Will the state require hospitals to assist applicants with the full Medicaid application? If so, what does a hospital need to do to fulfill this requirement?
- What information must be collected on a presumptive eligibility application?
- Does the state require a written application? If so, what does the application look like?
- What identification will be issued to the patient as proof of temporary Medicaid eligibility?
- After a presumptive eligibility determination has been made, what information must the hospital convey to the state to ensure payment during the temporary eligibility period?
- Is the state adding additional groups or populations to the list of people who can be determined presumptive eligible?
- Is an individual limited in the number of presumptive eligibility periods they can have in a certain time period (e.g. a person can only be determined presumptively eligible one time per year)?

Disqualification Policies
- What standards—if any—will the state require the hospital to meet with respect to:
  - The proportion of individuals who receive a presumptive eligibility determination and submit a full Medicaid application by the end of the temporary eligibility period
  - The proportion of individuals who receive a presumptive eligibility determination and are determined eligible for Medicaid
  - Providing application assistance
Starting Presumptive Eligibility in Your Hospital

**Highlights**

- **Using PE in Your Hospital**
- **How to Start Making PE Determinations**
- **Tracking Performance**

**Using PE in Your Hospital**

If your hospital participates in Medicaid, it is qualified to make presumptive eligibility determinations using the new statutory authority. Your state does not need to expand Medicaid coverage in order for your hospital to make presumptive eligibility determinations. Your hospital can make presumptive eligibility determinations for any individual who is income-eligible for Medicaid based on your state’s Medicaid income eligibility guidelines.

**How to Start Making PE Determinations**

1. Identify other hospitals in your state that may want to make presumptive eligibility determinations.
2. Review your state Medicaid agency’s policies and procedures on presumptive eligibility, if any exist.
3. Contact your state Medicaid agency to discuss and/or develop policies. Use the SPA template to guide the conversation.
4. Create an initial plan that ensures your hospital will follow those policies and procedures.
5. Notify the state Medicaid agency that your hospital intends to make presumptive eligibility determinations and agrees to make those determinations consistent with state policies and procedures.
6. Roll out the new PE option in your hospital.
   a. Establish a timeline for implementation.
   b. Develop materials for hospital staff, such as the presumptive eligibility application, instructions for patients, and training resources.
Tip
Create a working group to monitor these metrics and develop other metrics that your hospital will find useful to track.

c. Train staff on presumptive eligibility, the basics of the Affordable Care Act, how eligibility determinations will work, and how this affects the work the hospital does (e.g., how other hospital programs, such as financial assistance, are affected).

d. Identify and partner with enrollment assisters in your community, such as navigators, in-person assisters, certified application counselors, Medicaid eligibility workers, etc., who can help patients complete the full Medicaid eligibility determination process.

e. Develop metrics to measure progress (see Tracking Performance in next section).

Tracking Performance

It is important for hospitals participating in the new presumptive eligibility program to develop metrics to track performance. Below is a list of possible topics your hospital may want to track:

- The number of people that receive presumptive eligibility determinations
- How many of those people complete a full Medicaid application
  - Who is assisting those individuals fill out their applications?
  - Is the hospital referring these individuals to assisters or doing this internally?
- The number of people that are ultimately found eligible for Medicaid
- The costs and charges associated with delivering care for individuals during their temporary presumptive eligibility period.

Financing

Highlights

- Improved Patient Care
- Efficiency
- Predictability in Reimbursement for the Hospital

Hospitals already play an active role in connecting their patients to Medicaid when applicable. There are several reasons that presumptive eligibility makes financial sense for hospitals, even though hospitals may already being actively enrolling eligible patients in Medicaid.

Improved Patient Care

Presumptive eligibility allows patients to get additional Medicaid-covered benefits after they are discharged from the hospital, often before a full Medicaid determination has been made. This increases the likelihood that patients will receive needed follow-up care after they are treated in the hospital, and it decreases the likelihood of costly readmissions.

Efficiency
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Presumptive eligibility streamlines hospitals’ enrollment work, saving the hospital time it might otherwise spend working with patients to identify a funding stream for their care. With millions more Americans potentially eligible for Medicaid beginning in January 2014, increasing efficiency will be essential. Making enrollment decisions for marketplace coverage may be more complex and require greater investment in resources. Simplifying Medicaid enrollment may also free up time to provide enrollment assistance to patients who are eligible for marketplace coverage.

Predictability in Reimbursement for the Hospital

Hospitals must meet state accuracy standards to remain eligible to perform presumptive eligibility determinations. In turn, Medicaid payments made during the presumptive eligibility period cannot be recouped by the state Medicaid agency, regardless of a person’s ultimate Medicaid eligibility determination. The hospital can also begin receiving payment for an individual’s care immediately, rather than waiting for a full Medicaid determination.

Important to Remember

Medicaid payments made during the presumptive eligibility period cannot be recouped by the state Medicaid agency, regardless of a person’s ultimate Medicaid eligibility determination.

Ensuring Ongoing Medicaid Enrollment

Highlights

- Value of Ongoing Enrollment
- Identifying Local Enrollment Assisters

Value of Ongoing Enrollment

It is crucial that hospitals not only connect patients to temporary Medicaid coverage, but also help them fill out the full Medicaid application. This ensures that eligible patients will maintain continuous coverage, even after the temporary eligibility period ends. Patients consider their health care providers to be trusted messengers about their care and about their coverage needs, so providers are well-positioned to connect patients with other community partners who can help them obtain—and retain—health coverage. Leveraging this relationship and connecting patients to coverage is in the interest of both the patient and the provider, and it helps ensure that care is available to those who need it.

Taking up the new presumptive eligibility option can also help build the hospital’s relationships with patients and with the community.

- Patients
  Establishing relationships with patients and helping them enroll in Medicaid strengthens the connection between your hospital and the patients you serve. These relationships make financial sense for your hospital, and they position your hospital as a trusted source of information for patients about their health coverage and care.
**Tip**

Hospital staff and volunteers should become certified application counselors (CACs). The training and certification process will vary by state, but this is an opportunity for hospitals to host trained staff who can directly assist patients with the new application and enrollment process.

- **Community**
  
  There are likely to be people and organizations in your community that assist individuals with the application and enrollment process for health coverage (for Medicaid, other public assistance programs like the Children’s Health Insurance Program, and the new health insurance marketplaces). Developing relationships with and referring patients to these organizations to complete their full Medicaid application—if staff in your hospital are not already helping patients complete the application—is also in the best interest of your hospital, your community, and your patients.

**Identifying Local Enrollment Assisters**

Enrollment assisters go by many different names and have different sources of funding and areas of expertise. Identifying who can help your patients complete the full Medicaid application will be a crucial component of ensuring your hospital maintains the ability to make presumptive eligibility determinations in the future. Decisions are still being made about who will serve in different assister roles in each state, and this section will be updated as more information becomes available. Your hospital should connect with the following types of enrollment assisters:

- In-house hospital finance department/eligibility teams
- Navigators and in-person assisters
- Certified application counselors
- Community health centers
- Medicaid eligibility workers
- Consumer assistance programs

**State-Specific Information**

**States’ Current Use of Presumptive Eligibility, January 2013**

**Current State Presumptive Eligibility Provider Manuals**
Presumptive Eligibility Toolkit for Hospitals

Current State Medicaid Eligibility Guidelines

Additional Resources

- Statutory Authority and Related Federal Rules for the New Option
- Fact Sheets and Issue Briefs about Presumptive Eligibility

Statutory Authority and Related Federal Rules and Guidance for the New Option

- Statutory authority: Patient Protection and Affordable Care Act, Public Law 111-148 (March 23, 2010), as modified by the Health Care and Education Reconciliation Act of 2010, Public Law 111-152 (March 30, 2010), Title 2, Subtitle A, Section 2001(a)(4)(B) and Title 2, Subtitle A, Section 2202.
- Medicaid State Plan Amendment Template and Implementation Guide.

Fact Sheets and Issue Briefs about Presumptive Eligibility

- Presumptive Eligibility: New Options in 2014 (Enroll America, January 2013)
- Presumptive Eligibility: A Step Toward Streamlined Enrollment in Medicaid and CHIP (Families USA, September 2011)
- Presumptive Eligibility: Providing Access to Health Care without Delay and Connecting Children to Coverage (Georgetown Center for Children & Families, May 2011)