

November 8, 2019

This report is the narrative for the required quarterly report required by 305 ILCS 5/11-5.1(h). (Public Act 101-0209)

After extended conversations with the federal Centers for Medicare and Medicaid Services (federal CMS), we received formal approval of our plan to reduce backlogs of Medicaid applications and renewals. This extensive plan includes a mix of strategies including hiring additional caseworkers, improved caseworker training, simplified policies and procedures, and improved Integrated Eligibility System (IES) performance.

Federal CMS has requested an addendum to our plan which addresses three additional eligibility practices. The addendum is under review by federal CMS.

The overarching goal is to eliminate the eligibility backlog. By November 2020, we intend to process all applications within a 45-day window and substantially eliminate our renewal backlog. HFS and DHS have been working in tandem with the Department of Innovation and Technology (DoIT) and external vendors to improve IES.

Application Backlog – Reduced

We reduced the backlog of Medicaid applications to roughly 79,000, which is steadily declining from a high of close to 120,000 at the beginning of 2019.

Hiring Personnel – Caseworker Increases

We made significant progress in hiring more caseworkers and will continue to hire more staff. Since January, we have added 258 new caseworkers in local DHS offices around the state and in the HFS Bureau of All Kids.

Long Term Care – Measured Improvements

We are giving special attention to eligibility and renewal delays in the long-term care (LTC) program. DHS has hired a new leader for the three local offices which handle most LTC eligibility processing to assure accurate, complete, and consistent handling of LTC applications and renewals. New training sessions for LTC staff and for managers are being offered in local offices. As of October 11th, LTC applications pending for more than 45 days is roughly 3,750, down from almost 5,000 in April 2019. The total number of requests for post-eligibility approval of long term care admissions which are pending over 45 days has been reduced from approximately 10,200 in April 2019 to roughly 9,600 as of mid-October.

Call Center – In Progress

DHS is forming a dedicated call center on the grounds of the Alton Mental Health Center to accept Medicaid renewals by phone. We will hire at least 50 representatives for this call center. We expect operations to begin by April of 2020.

Scanning Delays – Eliminated

We resolved a long-standing software problem related to scanning documents received from clients and others into IES. As a result, we drove down the 2-3 week-long backlog to an average of two days for documents that must be scanned into the system to assure prompt receipt of submitted documents.

Newborn Enrollment – Portal Created

Regarding process simplification, we created a portal for verified hospital staff to begin Medicaid coverage for newborns in real time, assuring that newborns have coverage without delay. This expedited process allows for MCOs and providers to promptly verify Medicaid coverage of newborns. We are working on extending this capability to families, so they can also register their newborns to their cases electronically.

Process Improvements – In Progress

We are preparing a report to share the research we've done on additional opportunities for automated eligibility renewals for clients. This renewal method requires much less time from clients and caseworkers when we can electronically verify all factors of eligibility. Automated renewals, also known as *ex parte*, allow the system to verify client eligibility information from reliable sources *without* additional information from the client. The Medicaid omnibus bill, SB 1321 (Public Act 101-0209), requires this detailed report on *ex parte* renewals to be released in November 2019.

System Improvements – In Progress

We are updating IES hardware and software and working with internal and external resources to improve the system. These tasks require extensive developing and testing. As more caseworkers are using IES, it's imperative that their time working in the system is well-spent; therefore, we are working aggressively on system performance and monitoring critical parts of the system. Seven more phases of Tech Refresh are in the queue.

Challenges Exist

Despite our significant efforts, challenges remain. HFS, DHS and DoIT all need to hire significant numbers of staff to reach our goals. The mass hiring comes at a time when the labor market in Illinois remains tight. Further, even as newly hired staff accept offers and begin work, there is a training lag before new workers achieve full productivity.

See following page for Quarterly Reporting of Medical Application and Renewal Processing Data for July, August, and September 2019.

For the purposes of part B of the chart below, reference the following:

The term "ex parte renewal" refers to a process by which the state systematically uses approved electronic sources during the annual renewal process to verify an individual's eligibility status and continue coverage. Using the ex parte process provides efficiency for both clients and state caseworkers through automation. The state sends Form A to clients for ex parte renewals, while Form B is sent to clients for whom income and assets cannot be determined using approved electronic sources.

Quarterly Reporting - Eligibility (required by 305 ILCS 5/11-5.1(h))			
A. Medical Applications (End of month)			
	Jul-19	Aug-19	Sep-19
Total applications on hand by number of days on hand	134,945	116,941	107,950
0-7 Days	8,025	7,260	6,619
8-45	31,503	23,805	22,453
46-90	13,715	13,689	14,955
91-180	22,080	16,797	14,537
181+	59,622	55,390	49,386
Total applications on hand by basis for determining income eligibility	134,945	116,941	107,950
Modified Adjusted Gross Income (MAGI)	N/A	13,525	11,148
Non-MAGI - Long Term Care	N/A	5,457	5,370
Non-MAGI - Excluding Long Term Care	N/A	4,067	3,768
Unknown	N/A	93,892	87,664
Applications over 45 days	95,417	85,876	78,878
Modified Adjusted Gross Income (MAGI)	N/A	10,925	8,427
Non-MAGI - Long Term Care	N/A	4,134	4,136
Non-MAGI - Excluding Long Term Care	N/A	3,060	2,737
Unknown	N/A	67,757	63,578
B. Medical Renewal (by month in which ex parte decision is made)			
Total number of cases up for renewal in two months	143,272	129,563	121,759
Form A Mailed (ex parte)	46,148	48,155	44,903
	32%	37%	37%
Form B Mailed (not ex parte)	97,124	81,408	76,856
	68%	63%	63%
Reasons Form B mailed	97,124	81,408	76,856
Aged, Blind and Disabled	31,738	27,197	24,521
	22%	21%	20%
Unverifiable Income	10,916	7,035	6,503
	8%	5%	5%
Zero (\$0) Income	26,167	21,827	21,649
	18%	17%	18%
No SSN	9,976	8,496	8,329
	7%	7%	7%
Income Exceeds Eligibility Criteria	11,210	10,283	9,491
	8%	8%	8%
Self-Employment Income	5,039	4,670	4,547
	4%	4%	4%
Other Reasons	2,078	1,900	1,816
	1%	1%	1%