State Medicaid Agencies Can Now Easily and Efficiently Enroll Several Million SNAP Participants Who Are Eligible for Medicaid

A groundbreaking new approach to determining Medicaid eligibility for individuals who are participating in SNAP (the Supplemental Nutrition Assistance Program, formerly known as food stamps) offers states — especially those adopting the Affordable Care Act’s (ACA) Medicaid expansion — a highly efficient, very cost-effective way to quickly and seamlessly enroll millions of low-income individuals in health coverage.

This streamlined enrollment process, announced by the U.S. Department of Health and Human Services (HHS) on May 17, would allow states to easily identify about 7 million SNAP participants who are certain to qualify for Medicaid — and to easily enroll them with minimal additional work for state eligibility staff and the eligible individuals. This process would significantly lower administrative costs and free up state and federal resources to focus on enrolling uninsured individuals who are not already known to state agencies.

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In states that expand Medicaid in 2014, the vast majority of non-elderly individuals enrolled in SNAP will be eligible for Medicaid under the new Medicaid income eligibility threshold, which the ACA sets at 138 percent of the poverty line. The new state option that HHS has just unveiled allows states to readily identify SNAP participants who definitely have income below the new Medicaid income limit. States would examine information in automated SNAP case files and identify members of SNAP households who are certain to have income below this threshold. Once these individuals are identified, they can be quickly enrolled in Medicaid without additional paperwork. (States rigorously verify the income of non-elderly SNAP participants at least every six months, making it an accurate data source.) Most remaining SNAP participants are also likely to be eligible for Medicaid, but additional information will be needed to make a final determination in those cases.
Large Gains in Coverage Possible

If all states expanded Medicaid, about 7 million uninsured Americans could be enrolled on the basis of information used to determine their eligibility for SNAP. (The number will obviously be smaller, since not all states are adopting the expansion.) This process also can help states — and low-income families — even in states that do not adopt the expansion. All states can use this streamlined enrollment process to ensure that many of the 25 million SNAP participants already enrolled in Medicaid remain enrolled without any gaps in coverage as states transition to new eligibility systems and ways of counting income for Medicaid, which all states must institute in 2014 under the ACA. The streamlined process also will lower administrative costs and thereby free up resources that can be used to reach and enroll uninsured individuals who aren’t already known to state agencies.

SNAP Is a Reliable Source of Information to Determine Eligibility for Medicaid

Both SNAP and Medicaid are intended to reach poor and near-poor individuals and families. While there are technical differences between the rules for the two programs on how to count income and household size, there is substantial overlap among the people who are served. That overlap will become even greater in 2014 in states that adopt the Affordable Care Act’s Medicaid expansion.

Using a method that the new option authorizes, states will be able to find that members of 75 to 80 percent of SNAP households that include at least one member who isn’t elderly or receiving Supplemental Security Income (SSI) are certain to be financially eligible for Medicaid. This certainty is based on income and other data in automated SNAP case files (which are verified every six months). By using SNAP participation and related information in the SNAP case files as the basis for a finding of Medicaid eligibility, states can leverage the work they have already done in verifying participant income information for SNAP and can thereby avoid duplicative data collection and verification efforts. The benefits of this streamlined process will accrue not only to state Medicaid agencies (through more efficient processes and reduced administrative costs and burdens) but also to the new state and federal Marketplaces (formerly called exchanges), which otherwise will have to handle more applications and transfer more of them to Medicaid for further processing.

How the New Option Would Work

By screening SNAP case files (either electronically, looking at all SNAP case files, or individually as state staff are working on a SNAP case), states will be able to determine and verify Medicaid financial eligibility in a highly efficient cost-effective way. States will need to take one additional step — to verify citizenship status — but they can readily do that for most people through an electronic data match with the Social Security Administration, as Medicaid rules require. This will enable states to quickly and seamlessly enroll several million low-income individuals in health coverage. Below are three examples of how states can use the new option to simplify their processes, reduce administrative costs, and enroll more eligible, uninsured people in health coverage.

- Identify SNAP participants who are certain to be eligible for Medicaid in
2014: States can do an initial “sweep” of their SNAP case files to determine which participants who aren’t elderly or on SSI are certain to be financially eligible for Medicaid, and then electronically verify their citizenship. States then can send a Medicaid card to all individuals passing the screens — which will be the large majority of non-elderly, non-SSI SNAP participants — that can be activated by a phone call or online acknowledgment.

- **Treat SNAP applications and recertification forms as Medicaid applications:** States can add a check box to SNAP application and recertification forms, asking if some or all household members wish to apply for Medicaid. When checked, this will allow the SNAP form to be treated as a Medicaid application. The state can then run the “screen” of these people’s SNAP case files to determine whether they are certain to be financially eligible for Medicaid, electronically verify their citizenship, and easily enroll them. (If they can’t be enrolled in this way, the Medicaid agency would do a regular Medicaid determination.)

- **Conduct annual renewals:** By using this option, states also can significantly increase the number of Medicaid renewals that can be completed without requiring documentation from beneficiaries. States can renew Medicaid eligibility for SNAP participants who are certain to be eligible for Medicaid at the time of their scheduled annual Medicaid renewal. Or, they can use “rolling renewal,” which advances the Medicaid renewal date by 12 months when beneficiaries are recertified for participation in SNAP as long as the data collected for SNAP show they remain eligible for Medicaid.

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For more information on the new option, including technical specifications for how to use it to identify SNAP participants who are certain to qualify for Medicaid, see:

**HHS Announces Opportunity to Streamline Health Coverage for SNAP Participants**
http://www.cbpp.org/files/6-11-13fa.pdf

**A Technical Assessment of SNAP and Medicaid Financial Eligibility Under the Affordable Care Act (ACA)**
http://www.cbpp.org/cms/index.cfm?fa=view&id=3939

For questions or technical assistance on the option, contact Shelby Gonzales at gonzales@cbpp.org.