



New Federal Medicaid Citizenship and Identity Documentation Rules Causing Delays in Accessing HUSKY A Coverage

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Connecticut has implemented a dramatic change in its Medicaid application process that has resulted in thousands of children, parents, and pregnant women experiencing delays getting HUSKY A coverage and needed health care.

Since July 1, 2006, a new federal law requires states to obtain proof of citizenship and identity for most *United States citizens* who apply for Medicaid or renew their Medicaid coverage. (Under previous Medicaid rules, U.S. citizens had to sign a statement under penalty of perjury that they were citizens.)

This requirement applies to more than 300,000 Connecticut citizens – children, parents, and pregnant women. The requirements apply primarily to U.S. citizens applying for HUSKY A, the state's Medicaid program for children, parents, and pregnant women. (The rules do not apply to HUSKY B applicants.) Since Medicare, Social Security Disability (SSDI), and Supplemental Security Income (SSI) recipients are exempted from these rules, they do not apply to most elderly and disabled persons on Medicaid, except for those who do not receive these federal benefits. (Note: Also exempt are Medicare *applicants*).

The requirement creates a burden for citizen applicants and our state. Many applicants have to verify their identity themselves, most commonly by producing an original government-issued photo ID, such as a passport or driver's license. They also have to verify their citizenship by presenting an original or certified copy of a birth certificate, passport, or one of several other official records.

The state may electronically verify citizenship for applicants by searching Connecticut birth record

databases and may verify identity by searching the records of other state programs. However:

- Connecticut does not currently have the capacity to connect some of these databases, and it is taking considerable time to develop those connections.
- Many applicants, including children, do not receive other state benefits, so they would not appear in other databases.
- As of January 2007, the number of applications awaiting approval has doubled since June 2006 – the month prior to implementation of the new federal rule. That means over 4,000 cases (typically including at least one parent and one or more children) are awaiting approval. In the majority of cases, the reason for delay is due to the need to submit citizenship and identity papers.
- According to the 2000 Census, 43 percent of Connecticut residents (or 129,000 Medicaid members) were not born in our state, meaning that families or the state must obtain *out of state* birth records, a process hampered by other states' demand for payment or other bureaucratic problems.

The new requirements may seem reasonable on their face, but they are not. Many low-income people simply do not have the required documentation. For example, grandparents entrusted with the care of a grandchild often do not have the original birth certificate of the grandchild - and they are not able to obtain it, since they are typically not the child's legal parent.

More than one in twelve low-income adults born in the U.S. do not have a U.S. passport or birth certificate. More than one in ten low-income adults with children do not have a birth certificate or

passport for at least one of their children. Most children do not have photo IDs. Yet the new law applies to all of these citizens.

The new requirements do not address any established problem and primarily penalize eligible U.S. citizens. While the new requirements were ostensibly intended to prevent undocumented immigrants from fraudulently receiving Medicaid coverage, a report from the United States Dept. of Health and Human Services found “no substantial evidence” of such a problem. An audit by Connecticut’s Department of Social Services (DSS) of a sample of Medicaid cases drawn from four recent years did not find *a single case* of an applicant falsely declaring citizenship. The new law does not apply to eligible legal immigrants, who are already required to document their immigrant status. Thus, ironically, the main effect of the law has been to make it much more difficult for eligible U.S. *citizens* to obtain or keep Medicaid coverage.

The State of Connecticut must deny coverage to many eligible applicants or incur millions of dollars in new costs. While the new requirements do not change the eligibility rules for Medicaid, the State of Connecticut risks losing federal reimbursement for new applicants who fail to meet the requirements. Under these rules, DSS is not allowed to approve coverage for new applicants until they provide the necessary documentation. This has resulted in delayed or denied care for many eligible citizens. Connecticut will continue to receive federal funds for *currently enrolled* Medicaid members who are *renewing* their Medicaid coverage, as long as the members are making a “good faith” effort to obtain the necessary citizenship and identity documents.

The state will incur additional costs in other ways. For example, those applicants who can’t meet documentation requirements will end up uninsured, driving up the costs to the state’s uncompensated care pool.

The federal rules are even more rigid than the law requires. They are overwhelming DSS staff, increasing administrative costs, and making mail-in applications difficult or impossible. For example, many documents must be *original or certified copies* provided by the issuing agency. This means that a parent who uses a driver’s license as proof of identity cannot send a photocopy, since DSS must see

the original license. The parent must either mail in the license and wait for weeks while the application is processed (and be unable to drive), or take time off from work to bring the birth certificate and/or photo ID to a DSS office to be photocopied. It is unlikely that most parents will be willing to send an original document through the mail – particularly a driver’s license. There are no “good cause” exemptions from the documentation requirements, such as mental disability, abuse in the family, or homelessness. While DSS has authorized (with federal permission) certain community-based organizations to review original documents on behalf of the state agency, thereby saving families a trip to a regional DSS office, many families will still have trouble complying with these rigid rules.

During the first year of implementation, DSS has to obtain the required verification for *tens of thousands of applicants and enrollees per month*.

Recommendations for the Connecticut General Assembly and the Governor:

- Call for federal repeal or for federal legislation that allows for more flexible and less burdensome verification procedures;
- Appropriate the resources (staff, outreach, electronic support, etc.) necessary to implement the requirements without the loss of coverage among applicants; and
- Ensure *state-funded* coverage for those new applicants who make a good faith effort but are unable to obtain documents within the time frames laid out in the federal regulations.

Recommendations to Congress:

- Repeal the citizenship documentation requirement, or, in the absence of repeal,
- Pass legislation that enables states to implement more flexible and efficient procedures for verifying enrollment that reduce burdens for both the state and applicants. This would include eliminating the requirement for “original or certified” documents, and providing more flexibility in the acceptable forms of documentation and affidavits.

¹ State and federal policies on the implementation of the Medicaid citizenship and identity rules are changing frequently. CT Voices will update this and other fact sheets at www.ctkidslink.org as new information becomes available.