

## NASCA 2001 Outstanding Program Awards



### Health-e-App Public/Private Partnerships Category

#### Executive Summary

In response to federal legislation authorizing the State Children's Health Insurance Program, in July 1998 California broadened its coverage of children under 19 years old by expanding its Medi-Cal program and implementing a stand-alone program called Healthy Families. At that time, the State also developed a joint, mail-in application for Healthy Families and Medi-Cal, thereby removing the need for face-to-face meetings to apply for Medi-Cal. In October 1998, California streamlined the original Healthy Families and Medi-Cal mail-in application from a 28-page to an eight-page application (four pages of forms and four pages of instruction) and created a Single Point of Entry to receive and screen the applications.

The State of California, in partnership with the California HealthCare Foundation, saw an opportunity to develop an interactive Web-based application in order to further simplify and expedite the enrollment process. The new automated application process, coined Health-e-App was designed to help enroll children in Healthy Families and pregnant women and children in Medi-Cal through an interactive, interview-style process. The California Health and Human Services Agency, in partnership with the Foundation, piloted Health-e-App in a controlled setting in San Diego County in January 2001.

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***Health-e-App promotes the State of California's goals of improving efficiency in the Healthy Families and Medi-Cal Programs, encouraging public-private partnerships, and enhancing the State's progress in e-government initiatives***

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Health-e-App asks for the same information sought in the paper application; however, the automation features capitalize on web-based technologies and the layout allows for an interactive interview-style format to guide users to enter only the information relevant to the applicant. Also, the processing mechanism of the application differs from the paper process at a number of key steps.

In contrast with the current paper process, Health-e-App is a near-paperless, online application that bypasses several steps from the point at which the CAA completes an application and eligibility determination begins.

The Health-e-App process:

- Prompts and requires CAAs to complete all "critical information fields" (e.g., child's name, birth date, Social Security Number) before proceeding to the next section.
- Provides pull-down menus with response choices (e.g., county selection, income sources, family relationship options) designed to minimize typing and spelling errors, and to speed the data input process.

- Offers the CAA the ability to “suspend” the application for up to 30 days if the applicant does not have all of the necessary information or needs to leave prior to completion of Health-e-App. CAAs are then able to retrieve the application, with all of the information already entered still intact, at a later date or time for completion.
- Returns a real-time, preliminary eligibility and program determination.
- Allows an applicant with Healthy Families preliminary determination to select a health plan and a primary care provider for each eligible family member.<sup>1</sup>
- Provides an online listing of medical professionals in the enrollees home area along with mapping information.
- Enables fax transmission of supporting documentation to SPE, keeping the process nearly paperless. Faxes are received as image files at SPE. Image files are linked with the supporting application data through a bar coded unique identifier, the Document Control Number.
- Permits use of electronic signature. Before electronically submitting the application, the applicant can provide an electronic signature using the electronic signature pad and receives a printed summary as well as a statement of rights and responsibilities in either English or Spanish.

An electronic interface between Health-e-App and Single Point of Entry streamlines application processing of Healthy Families and Medi-Cal applications. Health-e-App sends application data directly to the “Income and Quality Verification” checkpoint at SPE where an eligibility technician reviews the application and supporting documents.

SPE electronically sends applications pre-determined to qualify for Healthy Families to the enrollment contractor for Healthy Families (EDS/HF), and SPE electronically posts applications predetermined to qualify for Medi-Cal so that staff at the county district office can download the application on their schedule. Health-e-App allows applications predetermined for Medi-Cal to bypass processing at the county central office and eliminates mail time at two different steps.

Health-e-App represents a unique development methodology for eGovernment services. The State developed a partnership with a private charitable foundation to develop an online, web-based application at no cost to the State. The foundation donated the use of the software to the State. The State conducted a pilot of the software, has implemented the system in one city and is now planning a larger rollout statewide.

Most importantly, the system reduces the error rate of the paper-based system to nearly zero. The online application performs checks on the application prior to submission and catches errors, saving enrollees weeks of waiting and often months of back-and-forth paper-based corrections.

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<sup>1</sup> Medi-Cal applicants choose their health plans later, after their program eligibility has been confirmed by the county agency. A separate enrollment broker assists with plan and provider selection.

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### Healthy Families On-line Application Public/Private Partnerships Category

#### Justification

##### **A. Description of the Program & Relative Significance to the Improvement of the Operation and/or Efficiency of State Government**

The State of California, California HealthCare Foundation, and the Medi-Cal Policy Institute have developed the first Web-based application in the United States to enroll low-income children in public health insurance programs.

Using any Web-enabled device, individuals and community-based organizations can enroll eligible applicants in California's Children's Health Insurance Program, called Healthy Families, and children and pregnant women in Medi-Cal, California's Medicaid program. The enrollment process takes 20-30 minutes, depending on the size of the family. Applicants receive a preliminary eligibility/program determination in real time, along with confirmation that their application has been received by the state.

In October 1998, the Medi-Cal Policy Institute released a report, "Opening the Door: Improving the Healthy Families/Medi-Cal Application Process." The report provided guidance to the State on simplifying the original 28-page joint Healthy Families and Medi-Cal application and streamlining the enrollment process for both programs. This research was instrumental in helping reduce the size and complexity of the application and in establishing a single point of entry for application processing.

Early in the development of Opening the Door, the Institute and the California HealthCare Foundation began to discuss use of the Internet to further streamline and simplify the application process - - both for consumers and program administrators.

In November 1998, the California HealthCare Foundation issued a request for proposals (RFP) for development of an automated system for enrolling women and children in the Medi-Cal program and children in the Healthy Families program. Ten competitive proposals were received. In January 1999, Deloitte Consulting was awarded the contract to build an interactive, interview-style Web-based application and demonstrate the "Proof of Concept."

A statewide panel of eligibility experts supported the Health-e-App development process. The panel included community-based agencies currently enrolling applicants in the programs, county eligibility workers, children's advocates, representatives of the Department of Health Services (DHS), the Managed Risk Medical Insurance Board (MRMIB), and Electronic Data Systems (EDS), the company that manages the current mail-in application process for the Medi-Cal program and serves as the enrollment contractor for the Healthy Families program.

The State of California Governor's Office and Foundation staff began discussions to turn the project into a unique public-private partnership. The Foundation funded development of the application, while the State agreed to pilot the application, fulfill all state and federal requirements, and, if successful, consider a statewide rollout of the system.

In September 1999, the State of California Governor's Office, Department of Health Services, and MRMIB accepted the Health-e-App Proof of Concept. Subsequently the Foundation's Board of Directors approved funds to fully

develop and test the enrollment system, build interfaces to existing state and county systems, prepare Health-e-App for pilot testing and eventual licensing to the State of California.

A pilot test of the application was conducted in San Diego County in January 2001. The pilot involved controlled and expanded test phases. Health-e-App was tested in a variety of settings, including community and private clinics and community-based organizations that conduct outreach and enrollment at schools, Women, Infants and Children (WIC) sites and other enrollment locations. Throughout the pilot bugs in the application were identified and resolved and user feedback helped to improve the application's usability.

A successful first test of the application was conducted during a two-week period in December 2000 at one site - Comprehensive Health Center, in San Diego's Logan Heights district. Four Certified Application Assistants (CAAs) were trained and participated in the test. The CAAs submitted 42 applications to the Single Point of Entry. Minor glitches were uncovered and fixed during the test period. CAAs expressed much enthusiasm for the application and reported that applicants valued the "real-time" preliminary eligibility determination and confirmation that their applications had been received by the state.

On January 9, 2001, an expanded Health-e-App pilot was launched involving five new sites in San Diego County. High speed Internet access and new computers were provided for most of the sites. Several sites were also equipped with notebook computers and wireless modems to allow for enrollment in schools, at WIC sites or in an applicant's home. In addition to the control test site, additional testing sites were Clinica Medica Central, La Casita, La Maestra, St. Jude's Shrine of the West and the HATS (Health Insurance Access Through Schools) Program. Some 20 CAAs actively engaged in using Health-e-App to enroll eligible children.

Following the successful pilot in 2000/2001, the California HealthCare Foundation was awarded a \$500,000 grant to MRMIB to help prepare for Health-e-App implementation.

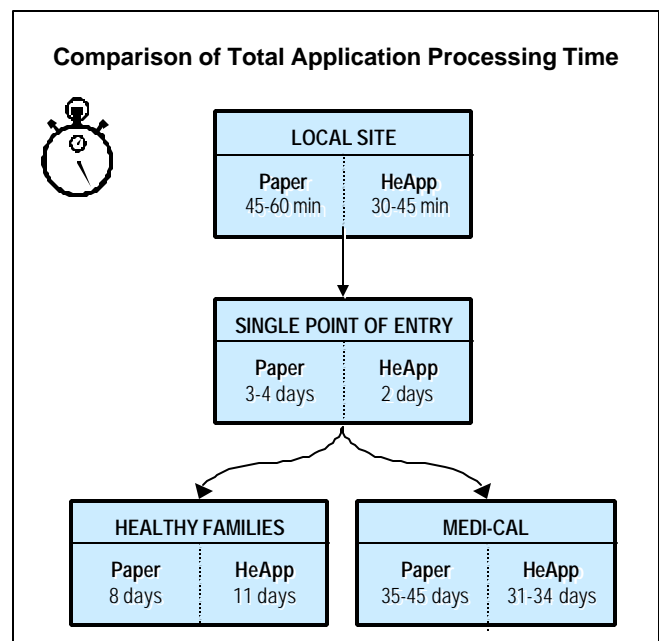
Based on the success of the San Diego pilot and enthusiastic response from community centers, applicants and San Diego County officials, the state has agreed to allow the six pilot sites to remain operational. With San Diego now live, DHS is seeking funding to begin a statewide rollout. Funds will pay for the establishment of toll free customer support line for community centers using Health-e-App, toll free lines for faxing documentation, and further enhancements to the electronic application process.

Two Health-e-App kiosks were unveiled at the California Primary Care Association's Annual Conference. The interactive kiosks displayed a touch screen, voice activated demo of the Health-e-App application. Similar Internet enabled kiosks are envisioned as Health-e-App enrollment stations.

### B. Calculation of Actual Savings in the Short-Term and/or Long-Term

An independent business case analysis was conducted to measure Health-e-App's performance relative to the paper/mail-in application process. The following are findings resulting from this quantitative research.

**The time spent by applicants and CAAs to complete an application at the enrollment site decreased during the Health-e-App pilot period.** More than half of CAAs reported that their average appointment time with clients decreased from 45-60



minutes using the paper application to 30-45 minutes. The majority of CAAs experienced time efficiencies when using Health-e-App as compared with the paper application.

**Health-e-App has the potential to lower the elapsed time between application submission and eligibility determination for Healthy Families by 50%.** Health-e-App lowered the elapsed time between submission and eligibility determination from 17 to 13.5 calendar days for the Healthy Families Program. With several operational fixes currently underway at Single Point of Entry and Healthy Families (e.g., developing an automated mechanism for applicants to pay the required premium payment and resolving several issues involving handling and smooth transmission of the supporting documents that accompany the electronic application), Health-e-App has the potential to reduce total processing time by a total of 2-4 days. Savings in processing time combined with the elimination of 6 days in mail time would reduce total elapsed time between application submission and eligibility determination to 8-10 days for Health-e-App as compared with 18 days for the paper application.

**For Medi-Cal applications, Health-e-App lowered the total time between application submission and final eligibility determination—efficiency gains that are mainly attributable to elimination of mail time at several different points in the process.** Health-e-App lowered the total elapsed time from application submission to Medi-Cal eligibility determination from 54 calendar days with the paper process to 35 days. This reduction in time is attributable to nearly 2 days of saved processing time at Single Point of Entry, another 4-11 days of reduced processing time at the County, and 13 days of eliminated mail and transmission time. As illustrated in the graph, With several technical and operational modifications, has the potential to sustain and build upon the efficiency gains in Health-e-App and in the Medi-Cal enrollment process. As a result, total elapsed time between application submission and eligibility determination would be 33-35 days for Health-e-App as compared with 54 days for the paper application.

**Health-e-App's features substantially reduced in the number of errors in critical fields, such as date of birth, and provided a safeguard against losing applications at different transfer points in the processing.** During the pilot period, only 2 percent of individuals who applied for Healthy Families using Health-e-App had application fields with invalid or incomplete data as compared with nearly 5 percent of those who applied using the paper application. Every single Health-e-App could be identified and traced across the entire spectrum of processing sites, while an audit of paper applications found that just under two percent were lost or untraceable.

**Health-e-App produced highly reliable, real-time preliminary eligibility determinations.** Although no paper comparison is available, based on preliminary and final eligibility determination data, 97 percent of the applications delivered to SPE via Health-e-App were routed to the correct agency for processing. This finding suggests that Health-e-App offers a reliable mechanism for getting applications to the right agency (either Healthy Families or Medi-Cal) for processing once SPE completes the preliminary eligibility determination.

### **C. Quantifiable Benefits Realized by Service Recipients, Taxpayers, Agencies and/or State**

An independent Health-e-App business case analysis measured user-satisfaction with the Web-based process. The following are findings from user surveys and observational sessions conducted by researchers:

- **Applicants viewed the automated process favorably. Applicants expressed heightened confidence in the automated process, specifically citing the real-time preliminary determination feature of Health-e-App as beneficial.** Ninety-three percent of Health-e-App applicants surveyed noted that they liked applying on the computer. Ninety-nine percent responded enthusiastically to the preliminary determination feature and found it useful to gauge which program they might be eligible for, if any. Some applicants felt "peace of mind" upon receiving the immediate, automated response, citing that mail responses often take too long. None of the applicants expressed concern about applying online or hesitancy

regarding the confidentiality of data. On the contrary, applicants mentioned that use of the computer heightens their confidence in the application process and made the process “more professional.”

- **Certified Application Assistants (CAAs) preferred Health-e-App to the paper application because they felt the automated application was more credible and efficient, and it made them feel more effective when serving clients.** Health-e-App appears to reduce the CAAs’ manual work, allowing them additional time to provide client education and explain the insurance programs in greater detail. CAAs felt that the preliminary determination feature of Health-e-App allowed them to better serve client needs. Based on their experience during the pilot, eleven out of twelve CAAs preferred using Health-e-App to the paper application and indicated a strong preference to continue using Health-e-App past the pilot period. From the CAAs’ perspective, several of Health-e-App’s features led to notable process improvements, including minimized paperwork, automated calculations, clarified eligibility questions, red flags when an entry error occurred, and satisfied applicants who left with a more positive attitude knowing which program they may be eligible for.
- **Staff that process applications and determine eligibility all expressed support for the automated application.** Staff at all levels, from administrators to eligibility workers, noted that Health-e-App has the potential both to improve application completeness and to speed processing time given a combination of policy changes, technical fixes, and increased familiarity with the application over time. Agency staff expressed confidence that most technical problems uncovered in the pilot were surmountable, and they were willing to dedicate labor time and resources to address the issues.

Some additional benefits include:

- Reduced enrollment costs
- Increased enrollment in Healthy Families by:
  - ✓ word-of-mouth promotion of the consumer-friendly enhancements, especially real-time notification and instantaneous application submission
  - ✓ providing an electronic mechanism for counties to transfer qualified Share of Cost Medi-Cal cases to Healthy Families (which offers an enhanced federal match rate for coverage)
- Online selection of providers and health plans for Healthy Families applicants. Provider selection criteria includes language spoken, provider specialty and proximity to the applicant’s home.

#### **D. Relevancy of use by Other State, Local and Federal Governments**

Since the State of California investment in the system was zero, there return on investment is infinite.

The State is only required to redirect the time of a few employees in order to gain the benefits of the new system. As the State pursues a wider rollout of the system, there will be costs to place computers and train community center staff. These are expected to be minimal – and the State’s Healthy Family Application processing vendor (EDS) has even offered to help offset these costs since it realizes significant savings by having be accurate and electronically transmitted.

As befits a public-private partnership, both sides benefit. The Foundation is able to pursue its goal of increased health services for Californians, and the State is able to increase enrollment in Healthy Families while at the same time not increasing its own operating costs.

