

# Shortchanging Our Children:

How The Arkansas Enrollment Process **Prevents  
Children** from **Accessing ARKids Health  
Insurance Coverage.**



By Deborah Halliday  
August 2000



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**Cover Photo** - Linda Foley & Family

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The National Breaking Barriers Series № 5

Arkansas ACORN  
Northwest Federation of Community Organizations  
August 2000

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# Introduction



**Ashante Carter** is a single mom with one son, Nathaniel, and is six months pregnant. She recently quit her job at a security checkpoint at the Adams Field Regional Airport in Little Rock because her doctor was concerned that exposure to the x-ray machine at work was causing fetal damage to her baby. Ashante found part-time work at minimum wage at a fast food restaurant, to which she takes the bus or walks, because she has no other means of transportation.

Given her low wages, both Ashante and her son Nathaniel are eligible for Medicaid. Yet Ashante encountered barrier after barrier at the local DHS office when she tried to apply for health care coverage. "It was real confusing," Ashante said. "They [the DHS caseworker] gave me everything but what I asked for. They tried to force me to tell them who Nathaniel's father is [violating federal policy], I asked for Medicaid for my son, and they gave me an ARKids First application instead. I told them I can't afford to make co-payments required by ARKids First." Ashante applied for Medicaid. Two weeks later, Ashante received a letter from DHS for an interview. "When I went in to apply, I thought I had all the documents I needed, but they didn't ask me for anything. When I went in again for my interview, they told me I needed a paper proving I was pregnant. They said I had until 2:00 that day for the clinic to fax the paper to them, but the clinic couldn't do it." DHS denied Ashante and Nathaniel Medicaid coverage.

Unfortunately, the enrollment barriers Ashante confronted in her pursuit of health care coverage for her son is not out of the ordinary for a low-income Arkansas family. Many uninsured Arkansas children are eligible for one of two low-cost health insurance programs: ARKids A and ARKids B. ARKids A is the state's traditional Medicaid program; ARKids B, formerly ARKids First, is the state's Medicaid expansion program. The ARKids A program is designed for families living in poverty. It is a more affordable program for families because it has no co-payments, enrollment fees, or premiums. It also provides a much richer benefit package than ARKids B. ARKids B is designed for families with higher incomes and requires co-payments when families access health care for their children. ARKids B lacks many of the benefits offered in ARKids A.

Yet despite these two programs, 1 in 5, or 151,000, Arkansas children are going without needed health care coverage. Sixty-one percent of these children live within poverty levels that make them eligible for one of these two programs. A recent report from Arkansas Kids Count notes that children who are able to access regular health care are more likely to maintain a schedule of recommended immunizations; developmental delays are more likely to be diagnosed and monitored; and childhood illnesses are less likely to have deadly consequences.

The Arkansas Department of Human Services (DHS), which is responsible for enrolling children in ARKids A and ARKids B, is failing our children. DHS has failed to adopt federal recommendations for increasing enrollment. DHS has failed to adhere to federally recommended steps to clarify families' eligibility for ARKids A. DHS has constructed an onerous system that prevents and delays families from accessing the health care programs for which they are eligible. DHS' failures mean that children who are entitled

to health insurance are going without, and are living less healthy lives.

Recent efforts by DHS to improve the enrollment process (through the creation of a joint application, and the elimination of a mandatory face-to-face interview) are positive first steps. Yet alone these steps are insufficient and serious missteps continue. DHS has yet to dismantle many state-erected barriers that prevent and delay families from accessing health care, and local DHS offices are staffed with caseworkers who are poorly trained in customer service and basic program eligibility requirements.

The Arkansas chapter of the Association of Community Organizations for Reform Now (ACORN) and the Northwest Federation of Community Organizations undertook this study to understand why so many eligible children are going without needed health care. ACORN identified 38 low-income families with uninsured children and tracked their experiences as they attempted to apply for Medicaid or ARKids First at local welfare offices. Parent applicants were interviewed in accordance to a protocol developed for this project after each interaction with the welfare office.

This study revealed that DHS has created an enrollment process that is more likely to prevent or delay families from accessing the health insurance coverage to which they are entitled than to assist families in enrolling in avail-

able health care programs. Indeed, DHS has erected barriers to enrollment so numerous and rigid that many parents are unable to navigate the process to completion. Parents must wade through misinformation, lack of information and assistance, and degrading interactions with local DHS caseworkers in the hopes of obtaining health insurance coverage for their children. DHS' system results in unjustifiably heightened levels of uninsured children who as a consequence live poorer lives.

Members of ACORN constructed an Action Checklist of seven action steps DHS should immediately take to solve the problems experienced by the 38 families in this study. They are:

1. Eliminate the mandatory face-to-face interview process for Medicaid.
2. Create a joint application for Medicaid and ARKids First.
3. Immediately begin a formal review of current ARKids First enrollment to identify families who are eligible for ARKids A.
4. Eliminate the mandatory child support enforcement requirement and implement 12-month continuous eligibility.
5. Drop the assets test & unnecessary paperwork for families applying for ARKids A.
6. Change the negative culture of local DHS offices.
7. Make ARKids applications available community-wide.

# Action Checklist?

✓ - Action completed

✓ - Action partially completed

Members of Arkansas ACORN call on DHS to take action right now to get children the health insurance coverage to which they are entitled.

✓ 1. **Eliminate the mandatory face-to-face interview process for Medicaid**

Although DHS has developed a mail-in application form, the local DHS office will continue to play a major role in the application process and will serve as the first point of contact for many families. Existing barriers to good service will not necessarily go away with the elimination of a face-to-face interview.

✓ 2. **Create a joint application for Medicaid and ARKids First**

DHS recently issued a joint application, in which families can apply for "ARKids A," formerly Medicaid, or "ARKids B," formerly ARKids First. This is a positive step. Yet in the new process, DHS neglects its responsibility to screen applicants based on income and assets, and instead leaves it to families to determine which program they "prefer," rather than guarantee families enroll in the program to which they are entitled.

— 3. **Immediately begin formal review of current ARKids First enrollment to identify families who are eligible for ARKids A**

DHS appears to be violating its own policy by enrolling ARKids A-eligible children into ARKids B. Fifty-seven percent of the children currently enrolled in ARKids First (now ARKids B) are likely to be eligible for Medicaid (now ARKids A). ARKids A is a better program for low-income families - compared to ARKids B, ARKids A costs less for the family, and it covers more services.

— 4. **Eliminate the mandatory child support enforcement requirement and implement 12-month continuous eligibility**

DHS' new application process appears to violate federal law by making eligibility contingent upon cooperating with child support enforcement efforts. In another aspect of the new application, continuous eligibility, DHS has an opportunity to alleviate a barrier that existed in Medicaid.

✓ 5. **Drop the assets test and unnecessary paperwork for families applying for ARKids A**

Over 40 states no longer require applicants to provide proof of personal assets to receive public health insurance for their children. Yet Arkansas insists on this outdated hurdle to enrollment. Furthermore, DHS discriminates against poorer families by requiring proof of assets for ARKids A but not for ARKids B. DHS recently eliminated the collateral statement requirement for ARKids A. Now DHS should eliminate the assets test too.

— 6. **Change the negative culture of local DHS offices**

The culture of "no" at local DHS offices prevents families from seeking access to health care. Lack of customer service standards, inadequate training on program eligibility requirements, and a culture of "no" leads to the erection of unneeded barriers and degrading treatment of low-income families.

✓ 7. **Make ARKids applications available community-wide**

DHS has done a commendable job making ARKids First applications available throughout the community, but has largely ignored promotion of Medicaid. With the implementation of a joint application, DHS has an opportunity to break the stigma of "Medicaid as welfare" and get applications into the hands of community organizations who have credible relationships with low-income families and who can facilitate enrollment.



**ONE**

## Eliminate the mandatory face-to-face interview process for Medicaid

### **Study Findings:**

- Over a four month period, only 28 percent of applicants applying for Medicaid were granted a required interview.
- 45 percent of applicants did not hear about the status of their applications within the 45-day time limit; the waiting period for these applicants ranged from 50 to 88 days.
- 9 out of 10 times DHS failed to inform applicants of the importance of returning the application as quickly as possible.

DHS recently announced its intention to eliminate a mandatory interview for Medicaid services. DHS is to be commended, for there is no federal requirement for a face-to-face interview, and applicants in the study faced enormous barriers just to schedule an interview at DHS. Many applicants waited over six weeks for an interview and had to make repeated phone calls to the office until they were finally granted the required interview.

Yet eliminating an interview is not enough to address DHS' chronic failure to serve children in a timely and efficient manner. There is a federally mandated 45-day time limit in which states must determine an applicant's eligibility for Medicaid. Time and time again, DHS failed to contact applicants within the 45-day period, and often failed to even schedule an interview within the required period of time. Furthermore, the 45-day clock starts with the submission of an application. DHS workers failed to inform applicants of the importance of submitting an application as quickly as possible.

*"When I called to try to reschedule my interview because I have a job and could not make it at the time they told me to be there, the DHS worker was rude. She told me I had to start the application process all over again. And then she hung up on me!"*

*-Yvonna Williams*

*"We applied and I got a letter in the mail telling me I had to show up for an interview the very next day. We couldn't make the appointment on such short notice, and we don't have a phone, so I had to drive down to the DHS office to request another interview time. The caseworker gave me an appointment four weeks from now. She told me if we hadn't come down to reschedule, they would've denied us and I'd have had to start all over again. I don't think that's fair."*

*-Sandra Hahn*



# Two

## Create a joint application for Medicaid and ARKids

### **Study Findings:**

- 57 percent of children enrolled in ARKids B (formerly ARKids First), or 26,418 children, have family incomes that fall within ARKids A (formerly Medicaid) income limits.
- 97 percent of applicants reported that DHS case-workers failed to offer any assistance with completing applications or with guiding applicants to the right program.
- Only five percent of the time did DHS staff ask applicants if they had any questions.

DHS recently issued a joint application, and clients can now apply for "ARKids A," formerly Medicaid, or "ARKids B," formerly ARKids First on one application form. This is a positive step. Yet the new application is confusing and leaves open the possibility that parents will apply for the wrong program for their children. The application "allows" a family to "choose" the program they prefer, but there is no choosing involved for families. If a family is at or below 100% Federal Poverty Level (FPL), and meets asset limits, they are eligible for ARKids A, formerly Medicaid. If they are between 100% and 200% FPL, they are eligible for ARKids B. There is no guessing or choosing involved. This is an important point, because it impacts the pocket book of the family needing services. Compared to ARKids A, ARKids B costs more money for a family, and covers 21 fewer services. Why would a family chose ARKids B if they are eligible for ARKids A? Chances are, they would not. Yet DHS opens the door for families to make decisions that are not in the family's best interests by providing the "option" to choose a package with fewer benefits. The state needs to take responsibility to accurately screen applications so families can get the best possible services for their children.

The new joint application includes a chart delineating the differences in services and costs of ARKids A and ARKids B. A chart alone is insufficient. Study participants found DHS fails to provide assistance and clarification in a way applicants find helpful.



Jeannine Lipscomb is a single mother of four who supports her children by working in an assisted living center. When she went to the North Little Rock DHS office to inquire about health insurance for her children, she was given no guidance on which program to apply. She took a guess, and applied for ARKids First. "I turned in my paperwork and then I never heard anything," she said. Seventy-seven days later [violating the 45-day time limit] Jeannine received ARKids First cards in the mail. "I had no idea what kind of coverage ARKids would provide," she said. She hoped the program would pay for

psychiatric treatment for her 14-year old daughter. ARKids First does not cover this service, but Medicaid does. It would be in Jeannine's best interest to enroll her children in Medicaid, but she'd be facing another 2 or 3 months wait. "Sometimes, you know, you just don't want to go through the changes," she said. "You have to deal with people at the front desk, and sometimes they're not pleasant at all, and they're not very informative. If I go down there on my day off and they don't see me and I spend all that time there, well, on my next day off I probably won't feel like doing that again."

# THREE

## Immediately begin formal review of current ARKids First enrollment to identify families who are eligible for ARKids A

### **Study Findings:**

- 95 percent of the families tested in this study do not have assets that would disqualify them for Medicaid coverage.
- Currently, 57 percent of children enrolled in ARKids First, or 26,418 children, have family incomes that fall within Medicaid (now ARKids A) income limits.

Compared to ARKids B, ARKids A is a better program for low-income families. A family enrolled in ARKids B is required to pay a \$5 to \$10 co-payment every time a child goes on a visit to a health care provider. ARKids A requires no co-payments: a family knows that a doctor is available to see their sick child whenever there is need, regardless of how much money they have at the time. ARKids A provides 21 more health care services for children. Not included in ARKids B are services such as audiological services, hearing aids, non-emergency transportation, day treatment clinic services, inpatient psychiatric services, and hospice care. A family hopes their child will never have to use these services, but should the need arise, the services should be covered if the family is eligible for ARKids A.

Yet a full 57% of the children currently enrolled in ARKids B (formerly ARKids First), or 26,418 children, are likely to be eligible for ARKids A (formerly Medicaid). This is not only bad news for families, but it appears to violate DHS ARKids First policy.

ARKids First policy states that persons who are eligible for Medicaid cannot be eligible for ARKids First. By their own admission, DHS currently has 26,418 children enrolled in ARKids First who are in families with incomes within the Medicaid income limit. DHS maintains that there is no way of knowing if these children are eligible for Medicaid as the ARKids First application does not require an assets test. A family qualifying for Medicaid must fall beneath an asset threshold (\$2,000 for an individual and \$3,000 for a family).

A full 95% of applicants in the study do not have assets totaling more than that allowed for Medicaid eligibility. One can extrapolate that thousands of children currently enrolled in ARKids First are missing out on additional services, and their families are paying for services they are entitled to receive for free. DHS must review its ARKids First caseload to identify ARKids A-eligible children and send them a letter to inform them that they are eligible for the full benefit package.

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*"I had ARKids for my girls, but it's a joke.... There's a lot they won't pay for and you have to do a \$10 co-payment. I had to file receipts for the co-payments, and when I failed to pick up the receipts from the doctor's office, ARKids took it out of my income tax refund!"*

-Renee Goynes



# FOUR

## **Eliminate the mandatory child support enforcement requirement and implement 12-month continuous eligibility**

DHS' new application offers the state a unique opportunity to truly increase low-income families' access to programs to which they are entitled. But DHS has already made one grave misstep: the new application appears to violate federal policy by making eligibility contingent by providing information to the Office of Child Support Enforcement (OCSE). In another aspect of the new application, continuous eligibility, DHS has an opportunity to alleviate a barrier that existed in Medicaid (now ARKids A).

The new ARKids application forces applicants to name the absent parent of their children and requires applicants to cooperate with OCSE. We believe that the state should encourage cooperation with the OCSE, but should not tell parents that it is a requirement. For parents who are fleeing domestic violence situations, being forced to identify the abusive parent is a risk many just won't take. The federal government recognizes this, and allows applicants to decline participation in state child support enforcement efforts. In the new joint application, DHS fails to inform women that if they decline to cooperate with OCSE, their children will still be eligible to receive health coverage. In Arkansas, a parent's decision to protect their family's safety could mean that their children miss out on the health insurance programs for which they are eligible.

This requirement will inevitably keep some eligible families from seeking the health care assistance to which their families are entitled. DHS should immediately remedy this misstep by including in the application wording that informs applicants that their children will still be eligible for health coverage even if they decline to cooperate with OCSE. Furthermore, DHS should train all the local DHS caseworkers to clearly explain to applicants that their children will still receive health coverage even if they decline to give information to OCSE.

Continuous eligibility means that DHS assumes a family is still eligible for the program, based on unchanged income and assets, for a set period of time. In Medicaid (now ARKids A), DHS required families to report to DHS every three months to update their income. Families enrolled in ARKids First (now ARKids B) are granted continuous eligibility for a twelve-month period. Failure to report may lead to loss of services, despite federal regulations and court decisions that have determined that states have a continuing obligation to provide Medicaid for all persons who have not been properly determined ineligible for Medicaid. Reestablishing eligibility is an onerous and time-consuming process of recollecting paperwork for DHS. Setting an arbitrary time limit of three months is a burdensome and unnecessary DHS-created hurdle. DHS has relaxed this stipulation for families enrolled in ARKids First (now ARKids B). DHS should extend the twelve-month continuous eligibility policy to families who enroll in ARKids A.

# FIVE

## Drop the assets test and unnecessary paperwork for families applying for ARKids A

### **Study Findings:**

- 90 percent of the time, DHS failed to tell applicants what documentation was required, leading to numerous visits to the DHS office and time wasted.

Because there is no federal requirement to do so, over 40 states no longer require parents to provide proof of family assets (such as a car or bank account) to receive public health insurance for their children. In fact, according to the Health Care Financing Administration (HCFA), excessive requirements can deter families from completing the application process. Under federal law, there are no mandated verification requirements to determine children's poverty-related eligibility other than verification of alien status for non-citizen children. Even this requirement can be done without burdensome paperwork: a child's citizenship can be established through declaration.

DHS discriminates against poorer families by requiring proof of assets for ARKids A but not for ARKids B. DHS has chosen to burden poorer families with more paperwork and intrusive questioning, making it harder for them to get health insurance coverage. For example, when families are asked about the value of their car, they may worry that they may have to give up their car - even one needed to get to work - in order for their children to qualify for health insurance coverage. Although DHS requires applicants to provide excessive documentation for consideration of eligibility, DHS caseworkers fail to provide helpful assistance to applicants. DHS should eliminate the assets test and all other unneeded documentation that makes application to ARKids onerous and time consuming.

DHS has taken a positive step recently by eliminating the requirement for collateral statements. Now, DHS should take the next step and eliminate the assets test.

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Jacqueline Murphy has one son. She works part-time, and receives disability assistance. When she sought Medicaid coverage for her son Eduardo, she went to the Martin Luther King Drive branch of the DHS and filled out an application. Forty-three days later, Jacqueline received a package in the mail from DHS. It was 7 pages of forms she was instructed to fill out in 1 week or she'd be denied Medicaid coverage. Included in the information she had to provide to DHS was the title of registration and value of her car, proof of the amount of child care she pays, copies of her last 8 pay stubs, her son's birth certificate, a collateral statement by a friend or neighbor with a telephone, and

two forms (DCO-116 and DCO-90) she had never heard of. "All that for health insurance my child is entitled to?"

Jacqueline wondered. Jacqueline felt overwhelmed by the 7 pages of forms, uncertain of what some of the documents were much less where to locate them and fill them out properly. Jacqueline felt she had no choice but to withdraw her application for health insurance coverage for her son.

Federal law requires none of the requested information. DHS chooses to require this information, and it is keeping eligible families off programs to which they are entitled.

Six

## Change the negative culture of local DHS offices

## **Study Findings:**

- On a scale of 1 to 4 (4 being the worst), 74 percent of applicants gave the DHS caseworker who gave them an application a 4: “not helpful”.
  - Only five percent of the time did DHS staff ask applicants if they had any questions.
  - Fewer than five percent of the applicants were provided with a phone number or other way of contacting the office if they had questions while completing the application.
  - 85 percent of applicants cited lack of information and the absence of help as the main difficulties encountered at the DHS office.
  - DHS failed 100 percent of the time to explain to applicants their rights to appeal eligibility determinations that result in a denial of eligibility.

Through the experiences of families who participated in the study, a grim image of Arkansas' local DHS offices emerged. It is clear from the perspective a family trying to access health care coverage for their children that a culture of "no" pervades local DHS offices. This culture prevents families from seeking access to health care. Local DHS offices are the primary first point of contact for families seeking assistance. Lack of customer service standards, inadequate training on program eligibility requirements, and a culture of "no" prevent children from getting health care coverage.

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"They [DHS] make you feel like you're not

*"They [DHS] make you feel like you're not worth being. They act like you owe them something just for getting some help, but they didn't help me. They tried to tell me that I didn't know nothing."*

-Carla Killingsworth

"I've applied for Medicaid for my kids twice this year. I wait and wait, and never hear back from them. Each time, DHS lost my application. When I go in, they never offer any help. I guess they're just making their day easier for themselves."

-Carolyn Pettus

# SEVEN

## Make ARKids applications available community-wide

### **Study Findings:**

- Of those applicants who received a Medicaid interview, 2 out of 3 families were not told they may be eligible for other services (food stamps, child care assistance, housing and utility assistance).

DHS has largely ignored promotion of Medicaid, yet DHS has spent \$500,000 each year to advertise the availability of ARKids First. With the implementation of a joint application, DHS has an opportunity to break the stigma of "Medicaid as welfare" and get applications into the hands of community organizations who have credible relationships with low-income families and who can facilitate enrollment.

Given the poor treatment families endure at DHS, it is easy to see why families are reluctant to go to the local office to apply for ARKids. Applications should be available where people live and work.

*"I don't have transportation of my own, but I've had to make 4 trips to DHS in the last 2 months. This is costing me money, money that I don't have and that I can't spare."*

-Linda Foley

Expanding sites for enrolling children is a key outreach strategy identified by the HCFA. HCFA officials recognize the importance of states pursuing options to conduct educational activities and enrollment efforts for children in a variety of community settings rather than limiting access to the local welfare office. HCFA-endorsed suggestions include plac-

ing applications in schools, Head Start, and childcare centers, as well as in community health centers and tribal and urban Indian health care centers. Another HCFA-endorsed outreach strategy is to "outstation" DHS eligibility workers in places other than welfare offices to assist with the initial processing of applications. Optimal locations to place DHS workers include the sites list above, plus churches, WIC offices, community centers, Job Corps sites, GED programs, and Social Security offices. In all sites, outreach workers must be trained to accurately advise and assist applicants.

DHS also fails to link applicants with other key social services in the community, such as food stamps, rental assistance and utility assistance. DHS does not have to operate in a vacuum. They can be part of a broad network of community-based organizations that strive to assist struggling families. With clear support from the federal government, and clear need in the local community, DHS has little reason to not initiate an aggressive community-based outreach efforts for both ARKids A and ARKids B.

## Conclusion

**D**espite the existence of two low-cost health insurance programs for children -now ARKids A and ARKids B - one in five Arkansas children is living without health insurance.

The Arkansas Department of Human Services (DHS), which is responsible for enrolling children in ARKids A and ARKids B, is failing our children. DHS has failed to adopt federal recommendations for increasing enrollment. DHS has failed to adhere to federally recommended steps to clarify families' eligibility for ARKids A. DHS has constructed an onerous system that prevents and delays families from accessing the health care programs for which they are eligible. DHS' failures mean that children who are entitled to health insurance are going without, and are living less healthy lives.

Recent efforts by DHS to improve the enrollment process are insufficient and serious missteps continue. DHS has yet to dismantle many state-erected barriers that prevent and delay families from accessing health care, and local DHS offices are staffed with caseworkers who are poorly trained in customer service and basic program eligibility requirements.

This study found that DHS' enrollment process prevents families from accessing the health insurance coverage for which children are entitled and cheats poorer families out of ARKids A benefits. Parents must wade through misinformation, lack of information and assistance, and degrading interactions with DHS caseworkers in the hopes of obtaining health insurance coverage for their children.

DHS should take these steps immediately to solve the problems experienced by the 38 families in this study. They are:

1. Eliminate the mandatory face-to-face interview process for Medicaid. (completed)
2. Create a joint application for Medicaid and ARKids First. (partially completed)
3. Immediately begin a formal review of current ARKids First enrollment to identify families who are eligible for Medicaid.
4. Eliminate the mandatory child support enforcement requirement and implement 12-month continuous eligibility.
5. Drop the assets test & unnecessary paperwork for families applying for ARKids A. (partially completed)
6. Change the culture in local DHS offices.
7. Make ARKids applications available community-wide. (partially completed)

## Research Methods

**S**hortchanging Our Children: How the Arkansas enrollment process prevents children from accessing ARKids health insurance coverage is based on data collected from March to July 2000 by the Little Rock chapter of the Association of Community Organizations for Reform Now (ACORN) and the Northwest Federation of Community Organizations. The objective of this study is to identify policies and practices that delay or impede applicants from obtaining ARKids First or Medicaid for their children.

Data were gathered from 38 parents with uninsured children identified by ACORN through community outreach. Study participants applied for Medicaid or ARKids First at local DHS offices throughout the Little Rock area.

Researcher intervention in the application process was limited to providing rides to public assistance offices and staying in contact with families as they went through the process.

Applicants who received a DHS Medicaid interview were interviewed twice in accordance with the protocol developed for this project. Applicants who did not receive a Medicaid interview were interviewed once after seeking services, and were contacted a minimum of once a week while waiting to receive an interview appointment or other word form DHS. Applicants also shared the experience in narrative form during their interviews with researchers. Some applicants requested that their names be withheld from the report.



Rocky McCuen - Tester

## Endnotes

<sup>1</sup> "Uninsured Children in Arkansas," by Arkansas Kids Count, July 2000.

<sup>2</sup> Ibid.

<sup>3</sup> Letter to State Health Officials from HCFA administrator Nancy-Ann DeParle, January 23, 1998, in which several suggestions are made to increase enrollment in children's health insurance programs.

<sup>4</sup> 100% Federal Poverty Level for a family of 4 is \$17,050; 200% is \$34,100.

<sup>5</sup> Memo from Ruth Whitney, Director, Arkansas Department of Human Services Division of County Offices to Frank Arey, Chief Counsel, OCC, 11/12/99. The memo states: "As of September 23, 1999 26,418 were children enrolled in ARKids and their family income was within the Medicaid income limit."

<sup>6</sup> Ibid.

<sup>7</sup> Arkansas Department of Human Services Division of County Operations Policy MS 2300, September 7, 1997, per Issuance Number MS 00-04, Issuance Date March 1, 2000.

<sup>8</sup> Assets include cash on hand, checking accounts, savings accounts, credit union accounts, money market accounts, certificate of deposit (CDs), stocks, bonds, mutual funds, promissory notes, trust fund, etc.

<sup>9</sup> Health Care Financing Administration "CHIP and child support enforcement fact sheet," January 12, 1999, located on the HCFA website. The fact sheet states, "A central element of our policy is that even when a parent or legal guardian refuses to cooperate with the State, the child's eligibility is not affected."

<sup>10</sup> Arkansas ARKids First application, "Assignment of Support"

<sup>11</sup> In both ARKids A and ARKids B, a family must notify the local DHS office within 10 days if the recipient or his/her dependents cease to live in the recipient's home, or if any other changes occur in the recipient's circumstances. Continuous eligibility assumes a re-

cipient remains eligible for the program for an established period of time, unless DHS hears otherwise from the recipient.

<sup>12</sup> Letter to State Medicaid Directors from HCFA administrator Timothy M. Westmoreland, April 7, 2000. The letter states: "Under Federal regulation 42 CFR 435.930, States have a continuing obligation to provide Medicaid to all persons who have not been properly determined ineligible for Medicaid. This includes individuals whose Medicaid has been terminated through computer error or without proper redetermination of eligibility."

<sup>13</sup> Letter to State Health Officials from HCFA administrator Nancy-Ann DeParle, January 23, 1998.

<sup>14</sup> Ibid. The letter states: "Under Federal law, there are no verification requirements pertaining to eligibility for the children's poverty-level-related groups under Medicaid other than those related to alien status of non-citizens, and the post *eligibility* (emphasis added) requirements of 1137 pertaining to use of the individual's social security number and an income and eligibility verification system. Eligibility of a citizen child may be established on the basis of a declaration under penalty of perjury. States are permitted to require further verification as a condition of eligibility."

<sup>15</sup> Example taken from "Start Healthy, Stay Healthy Outreach Handbook" developed by the Center on Budget and Policy Priorities.

<sup>16</sup> Letter to State Health Officials from HCFA administrator Nancy-Ann DeParle, January 23, 1998.

<sup>17</sup> Ibid. The letter discusses proposed federal legislation that would allow these sites to implement presumptive eligibility, in which children can receive immediate health care coverage without having to wait for a full Medicaid eligibility determination.

## National Breaking Barriers Series

This report is part of the National Breaking Barriers Series of the National Campaign for Jobs and Income Support.

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Back Cover Photo - Mary Humphrey & Daughter-Testers

## **Organizations Releasing This Report:**

The Association of Community Organizations for Reform Now (ACORN) is the largest membership organization of low to moderate income families in the United States. Founded in 1970 in Little Rock, AR, the organization now has chapters in more than thirty states.

Northwest Federation of Community Organizations (NWFCO) is a regional federation of five statewide, community-based social and economic justice organizations located in the states of Idaho, Montana, Oregon and Washington: Idaho Community Action Network (ICAN), Montana People's Action (MPA), Oregon Action (OA), Washington Citizen Action (WCA), and Coalition of Montanans Concerned with Disabilities (CMCD). Collectively, these organizations engage in community organizing and coalition building in fourteen rural and major metropolitan areas, including the Northwest's largest cities (Seattle and Portland) and the largest cities in Montana and Idaho.

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