



Why Health Reform Needs a Unified Approach to Outreach

Kelsey McCowan Heilman, New Mexico Center on Law and Poverty

On January 1, 2014, millions of uninsured people will become newly eligible for health insurance coverage through Affordable Care. But recent surveys reveal a huge information gap. *Four out of five potential beneficiaries do not know about the new, affordable coverage they might obtain.* To get the word out, states must undertake major outreach efforts. They need to let millions of low-income adults know they can get Medicaid coverage, and they must inform millions more that they are eligible for financial help to buy private insurance on the new health insurance exchanges.

A strong and determined outreach effort will be essential to inform people about their options and help them sign up. The message needs to be clear and straightforward: if you are uninsured now, you can go to a single place to get connected to health coverage. States can do this most effectively by using available federal funds to organize outreach for all coverage options at once, rather than splitting into separate efforts for Medicaid and the exchanges.

The New Mexico Story

My state, New Mexico, stands to gain more than nearly any other from the Affordable Care reforms. Currently, more than 400,000 New Mexicans are uninsured – about one fifth of the state's population, the second highest proportion of uninsured among all states in the nation. Under health care reform, we have the opportunity to shrink this alarming statistic.

- About 170,000 adult New Mexicans are expected to become eligible for coverage through the expansion of Medicaid, a long-standing program covering the poor and disabled. ObamaCare offers federal funds for an expansion to adults with incomes up to about \$16,000 a year for an individual and \$32,500 a year for a family of four. In addition, there are more than 50,000 New Mexicans already eligible for Medicaid but not yet enrolled, most of them children.
- Another 200,000 adults and children can get coverage through the state's new health insurance exchange, which will make a variety of private insurance plans available for people to buy. The vast majority of these New Mexicans will also qualify for new tax credits and subsidies that will dramatically reduce the cost of health insurance.

The big question is how to fulfill this great potential to extend coverage to hundreds of thousands of uninsured New Mexicans and open their access to health care services.

Why Personal Outreach Matters

We know it won't happen automatically, because many potential beneficiaries remain in the dark. Based on what has been learned in past expansions of health coverage for children and adults in other states, we know that direct, person-to-person outreach, education and enrollment www.scholarsstrategynetwork.org June 2013 assistance are essential. I'm not talking about broad-based marketing campaigns – television ads, billboards, and branding – though those are important and can help spread basic information. I'm talking about on the ground, face-to-face assistance from trusted and established community organizations. It's this type of targeted and community-based outreach that will really make the enrollment difference – especially in a state like New Mexico where most of the uninsured are poor, living in rural areas, and often minorities, Native Americans or Hispanics.

New Mexico has chosen to build and operate its own health insurance exchange, rather than letting the federal government do it. This gives the state access to tens of millions of federal dollars to do all sorts of

implementation activities. These funds can be used to pay for outreach, education and application assistance through 2015, when exchanges must become financially self-sustaining. Importantly, federal funds can be used to build a unified outreach system that lets New Mexicans learn at one time and place about options in Medicaid and on the exchange.

The Compelling Case for Unified Outreach

As in New Mexico, key decisions about the structure of outreach and enrollment systems are currently happening in dozens of states. The board governing New Mexico's new exchange, for example, is in the process of deciding whether to use federal grants only to connect people to the exchange – or, instead, to inform people about *all* of the new coverage options.

This decision ought to be a no-brainer. There are a whole series of compelling reasons why New Mexico – and other states – should spread information about both Medicaid *and* plans offered for sale on the exchange at the same time, and also help people fill out the appropriate applications.

- **Unified outreach is cost-effective.** It is impractical and wasteful to build two separate outreach and application systems. Federal grant funds can be used to help anyone who fills out the “single streamlined application” – for either Medicaid or coverage on the exchange.
- **Medicaid enrollees are future exchange customers.** Wages often move up and down, especially for low-income workers. About a third of people who qualify for Medicaid or exchange subsidies will end up moving to the other program in any given year. If they are connected to coverage through a unified system, movers will be more likely to stay covered.
- **A unified approach makes sense for both screeners and applicants.** The health reform law requires state exchanges to screen for Medicaid eligibility, and the law also requires exchange staffers – called Assistants or Navigators – to know eligibility rules for both Medicaid and the exchange. Already well-informed staffers can easily help people actually sign up for either option. And, of course a streamlined, one-stop process will get help more people quickly receive the particular benefits to which they are entitled. Some families will include members eligible for both Medicaid and subsidized insurance on the exchange. Such families will especially benefit if confusion is minimized.
- **Efficiently expanded coverage benefits everyone.** Of course, the clearest winners are the uninsured who gain coverage under health reform. But every new Medicaid or exchange enrollment will also bring new federal dollars into the state – dollars that create jobs and strengthen hospitals, clinics, and health care providers. All of us will benefit as our eligible neighbors gain insurance coverage – and the best way to accomplish that without delay or waste is for the state to create a unified and vigorous outreach system.