

Work and Community Engagement Requirements in Medicaid: Information Technology Business Requirements Related to Work/Community Engagement Implementation

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In January 2018, the Centers for Medicare & Medicaid Services (CMS) released a State Medicaid Director Letter (SMDL) providing guidance to states as to the circumstances under which CMS would approve 1115 demonstration waivers making work/community engagement (CE) requirements a condition of Medicaid eligibility. Since then, CMS has approved state work/CE waivers in Arkansas, Indiana, Kentucky, and New Hampshire, and additional states have submitted or are poised to submit similar waivers. Work/CE programs are complicated and costly to implement, and how states implement work/CE programs will determine whether beneficiaries find jobs, maintain or lose health insurance coverage, and experience improved health and well-being.

States are modifying their information technology (IT) systems to add compliance with work/CE requirements as a new eligibility condition. The reliance on technology is driven by automation efficiencies and the opportunity to access enhanced federal matching dollars. This chart outlines at a high level the business requirements that must be accommodated to achieve IT systems readiness (including eligibility and enrollment, Medicaid Management Information Systems (MMIS), and the client portal) in the context of new work/CE requirements. In light of past challenges with IT builds, systems modifications represent an area of high risk for states in implementing work/CE requirements, especially states on a fast-track implementation schedule. Other work/CE-related charts identifying features of approved state work/CE waivers; CMS guidance and waiver special terms and conditions; Medicaid application, eligibility and enrollment requirements; and state costs associated with implementing work/CE requirements are available in the full publication, [Work and Community Engagement Requirements in Medicaid: State Implementation Requirements and Considerations](#).

Information Technology Business Requirements Related to Work/Community Engagement Implementation

| Responsibility | Business Requirements |
|------------------------------------|---|
| Outreach/Education | <ul style="list-style-type: none"> › Launch new website or landing page with applicant/beneficiary information › Develop online applicant/beneficiary and assister trainings and “explainer” tools |
| Application | <ul style="list-style-type: none"> › Collect new information related to work/CE requirements through online, paper, and phone application (e.g., homelessness, domestic violence) |
| Eligibility | <ul style="list-style-type: none"> › Identify populations subject to work/CE requirements and those who are exempt › Automate system flags for exemption (e.g., pregnancy, homelessness, SMI) › Create indicator for work/CE status (exempt, compliant, non-compliant) |
| Claims/Financial Processing | <ul style="list-style-type: none"> › Suspend/re-activate MCO capitation and other provider payments › Communicate via 834 to MCOs when beneficiaries are non-compliant, at risk of coverage suspension or termination, suspended, or terminated |
| Exemptions | <ul style="list-style-type: none"> › Collect applicant/beneficiary-reported exemption information/documentation › Link beneficiary-reported information to beneficiary case › Interface with SNAP/TANF systems to validate exemptions › Connect to new data sources for exemption verification › Flag beneficiaries who require case worker review and verification › Determine beneficiary exemption eligibility |

| Responsibility | Business Requirements |
|--|---|
| Work Activity Compliance | <ul style="list-style-type: none"> › Collect beneficiary-reported work/CE activity information/documentation › Link beneficiary-reported information to beneficiary case › Interface with SNAP/TANF systems to confirm activity compliance › Connect to new data sources for compliance information verification › Flag beneficiaries that require case worker review and verification › Determine beneficiary compliance |
| Notices | <ul style="list-style-type: none"> › Issue new notices on work/CE requirements, exemption determination, qualifying activities, right to reasonable modifications, non-compliance determination, suspension, termination, lock-out, appeal |
| Disenrollment | <ul style="list-style-type: none"> › Effectuate coverage suspensions for non-compliance › Evaluate eligibility for other groups or programs prior to disenrollment › Terminate eligibility for non-compliance › Effectuate eligibility lock-out penalty periods › Enable beneficiary re-enrollment under permissible circumstances › Enable beneficiary re-enrollment at the end of the lock-out period |
| Renewals/Change in Circumstance (CIC) | <ul style="list-style-type: none"> › Incorporate work/CE compliance checks into ex parte renewal › Incorporate work/CE status into CIC reporting |
| Appeals | <ul style="list-style-type: none"> › Administer appeals (exemptions, suspension, termination) |
| Beneficiary Supports | <ul style="list-style-type: none"> › Flag beneficiaries requiring assessments › Effectuate referrals to beneficiary supports |

KEY

MCO = Managed care organization

SMI = Serious mental illness

SNAP = Supplemental Nutrition Assistance Program

TANF = Temporary Assistance for Needy Families

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