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Executive Summary: Health-e-Arizona

Through a unique public/private partnership between Arizona's Health Care Cost Containment System (AHCCCS), the Arizona Department of Economic Security (DES), the Community Health Centers Collaborative Ventures, Inc. (CHCCV), and Deloitte Consulting, a new web-based enrollment application for Arizonans called "Health-e-Arizona" was launched in June 2002 in Pima County, Arizona. The Health-e-Arizona pilot project kicked off at the Tucson-based El Rio Health Center, a large, multi-service federally qualified health center. El Rio is a member of the Pima County Access Program (PCAP), a group of health centers and hospitals offering health services to uninsured and underinsured residents of Pima County. PCAP entities also conduct outreach and referral services for AHCCCS to reach people who may be eligible for Medicaid or the State Children's Health Insurance Program (KidsCare).

Powering Arizona's online application is Health-e-AppSM, software developed on behalf of the California HealthCare Foundation (CHCF), a non-profit philanthropy, based in Oakland, California. Health-e-App was originally developed for use in California, where it was successfully pilot tested and implemented statewide under a license provided by CHCF to the State of California, at no cost. The California Department of Health Services is currently maintaining Health-e-AppSM for the State of California.

Health-e-AppSM was selected by the El Rio and PCAP stakeholders because of its functional richness and simplicity of use. The Health-e-App system, originally developed by Deloitte Consulting for California under contract with the California HealthCare Foundation, was the first fully integrated web-based application in the nation for enrolling children and pregnant women in publicly funded health insurance. The CHCCV believed that by creating a partnership with the State agencies responsible for determining eligibility and providing access to State administered health programs they could reduce the number of uninsured and underinsured persons in Arizona. In addition, by adding the local programs to the possible health coverage that it would lead to improved coordination of care, less duplication and improved service to the public.

The Health-e-Arizona project began as a transfer California's Health-e-AppSM web-based registration system to Arizona to accept applications for Arizona's public health care programs. After meeting with key stakeholders from AHCCCS and DES, the project's initiators (El Rio, Community Health Centers Collaborative Ventures, and PCAP) focused their vision to the possibility of accepting the State's new Universal Application that included most of the AHCCCS and Department of Economic Security (DES) administered programs, including AHCCCS (Medicaid Managed Care), KidsCare, Proposition 204, Premium Sharing, and others. Deloitte Consulting has worked with all of these Arizona organizations responsible for state and locally administered health care programs and CHCCV member organizations, including private business representatives, to modify Health-e-App to meet Arizona's unique requirements.

The Health-e-Arizona system improves the application process between the clinics, AHCCCS and DES by providing an effective and efficient way for clinic staff to conduct client interviews, to collect and share necessary information across organizations, and to inform consumers of their potential eligibility for health care coverage. This is accomplished in a manner that respects the privacy of the consumer in accordance with the program rules and policies. Health-e-Arizona takes full advantage of the enabling technology by offering the following features:

- Preliminary eligibility screening in just seconds
- Instantaneous error checking to improve data quality
- Automated computing of income and other prerequisite calculations, for improved screening accuracy
- Electronic transmission of application data
- Electronic signatures
- Automatic association and transmission of faxed documents
- Disposition tracking for each applicant

Given the success of the Pima County pilot since June 17, 2002, a statewide roll-out to all Arizona Federally Qualified Health Centers (FQHCs) is currently underway, and will be completed by the 4th quarter of 2003.

NASCIO Recognition Award Nomination: Health-e-Arizona

Category: Digital Government: Government to Citizen

DESCRIPTION OF THE PROJECT

Health-e-Arizona provides a digital network technology solution to the problem of the cumbersome application process for Medicaid and other publicly funded health insurance programs in Arizona by automating the application process and providing that automated application process to interested parties through Internet broadband technologies. The latest figures of the U.S. Census bureau show that nationally over 41 million Americans did not have health care coverage in 2001. A slow economy, high unemployment and rising health care costs likely mean that more Americans became uninsured in 2002.

Widespread lack of health care coverage affects not only the uninsured and their families, but also the communities in which they live and the greater society. The problems of the uninsured take a financial toll on everyone, not just the uninsured themselves. Because the uninsured tend to wait longer to seek treatment, they are often very ill when they finally receive care. And when they do seek care, they frequently turn to the nearest hospital emergency room, an expensive and inefficient way to get care. In the emergency room, uninsured patients may run up huge medical bills that can take years to pay. In many cases, hospitals, businesses, insurers and taxpayers are left to shoulder the costs that patients are unable to pay.

Care for the uninsured is paid for by everyone, often in inequitable ways. Many hospitals and physicians in this country provide charity care to low income, uninsured patients at no or reduced charge. But that care does impose a cost on society. It is often paid for indirectly by insured patients, who wind up with higher charges as a result. Clearly, when tens of millions of people lack access to adequate health care because they are uninsured, the consequences to individuals, families, communities and society can be enormous.

It has been well documented that many of the uninsured in this country are in fact eligible for coverage under government health insurance coverage for low income persons. Although Medicaid programs insured 13.3 million poor people in 2001, a surprising 10.1 million, or 30.7% of poor people still had no health insurance in that period of time. The uninsured poor comprised 24.5 percent of all uninsured people in 2001. Among the near poor (between 100% and 125% of the federal poverty level), 26.5% lacked health insurance in 2001. Medicaid is the most widespread type of health insurance among the poor and near poor, but coverage by Medicaid of this population did not change statistically from 1999 to 2001.

In Arizona, despite a recent successful legislative initiative which increased the eligibility threshold for AHCCCS (Arizona's Medicaid) to 100% of the federal poverty level, 18.4 percent of Arizonans are uninsured, compared with 14.5 percent nationally.

Cost is not the only barrier to accessing health insurance. With the advent of the SCHIP program offering government health insurance to low income children, and the subsequent failure of the various state SCHIP programs to reach the eligible child population for enrollment, there has been much speculation about the reasons for that failure. The Children's Action Alliance held eleven focus groups in 1999 with low income parents from across Arizona to discuss their experiences and perceptions of the AHCCCS application and eligibility process. While participating parents came from different kinds of communities and households, they consistently and repeatedly identified "excessive" and "complicated paperwork" as a main barrier to applying for and enrolling in public insurance programs.

El Rio Health Center, in partnership with the Arizona Department of Economic Security (DES) and the Arizona Health Care Cost Containment System (AHCCCS), is using Health-e-Arizona's digital network technology to automate the application process for public

health insurance programs, thus facilitating enrollment into health care services and improving access to health care for the medically underserved, uninsured population of Arizona.

The solution involves three previously untested strategies in Arizona.

1. Collaboration between the public and private sectors. This project brings together organizations which are the major stakeholders in the problem to be addressed, and which have not previously worked together in this capacity. They are:

- El Rio Health Center. A 501(c)(3) not for profit community health center located in Tucson, Arizona, that provides primary health care services to 60,000 active patients, who are mostly low income and/or uninsured.
- Community Health Center Collaborative Ventures (CHCCV). A 501(c)(3) not for profit formed by the Federally Qualified Health Centers (FQHC's) of Arizona to promote and facilitate the delivery of community based health care to the medically underserved in the state.
- Arizona Association of Community Health Centers (AACHC). A 501(c)(3) not for profit Primary Care Association representing the Community Health Centers (CHC's)/FQHC's of Arizona.
- St. Luke Charitable Health Foundation. A charitable foundation located in Phoenix, Arizona, representing small businesses around the state.
- Arizona Health Care Cost Containment System Administration (AHCCCSA). The Administration of Arizona's Medicaid Program.
- Arizona Department of Economic Security Administration (DES). The Administration of the Department of Economic Security in Arizona.

2. Use of digital network technology for the Medicaid application process for Arizona government health insurance programs. As noted earlier, a principal barrier to enrolling in public health insurance is the cumbersome application process. The proposed technological solution enables a complete and accurate application to be submitted to AHCCCS or DES, the two governmental agencies who determine eligibility for public health insurance programs in the State of Arizona, via the Internet. This automated, computerized system fully captures the data needed to determine enrollment, as well as the supporting documentation and electronic signatures required to complete the eligibility determination, and submits them to the appropriate agency for review. This replaces the current manual system which is fraught with delays and errors.

3. Strategic placement of the proposed technology. The automated application system will gradually be placed at three types of locations where the uninsured are already located and/or seeking health care services. They are:

- Federally Qualified Health Centers (FQHC's) where the majority of low income uninsured persons are already seeking their primary health care services.
- Hospital Emergency Rooms and Outpatient Centers, where uninsured persons often present to receive health care services which can no longer be postponed.
- Small Businesses. (Eight out of ten uninsured are from working families. Approximately half of the people without health insurance work for small businesses with up to 99 employees.)

INNOVATION

The innovative aspects of this project are threefold. First, the project is based on a computerized eligibility application already developed and in use in California by the California Health Care Initiative for use with the California SCHIP program. With some modifications, the project makes use of the California application, called Health-e-App, to process applications in Arizona. However, the innovation lies in the use of the application in this project. While in California, the application is designed only for the SCHIP program, the Arizona project uses the application to process a universal application, which is valid for all

ages and a wide variety of state medical insurance programs, including AHCCCS and KidsCare (Arizona's SCHIP program).

Second, Health-e-App in Arizona is the tool for a "one door system" of means testing for all uninsured persons to obtain medical coverage and establish a medical home. Even those uninsured persons who do not qualify for public assistance are screened and directed to a source of primary medical care of their choosing which offers discounted rates (Federally Qualified Health Centers and Community Health Centers). This use of the application goes far beyond the limited California use.

Third, there are the multiple types of end users of the system. While in California, the application is only used by "certified application assistants" who receive remuneration from the State for completed applications submitted using the system, in Arizona the end users of the application will be distributed among a variety of users who have regular contact with the target medically underserved population, ranging from eligibility workers in hospitals and clinics to human resource personnel in small businesses.

Additionally, although other public/private partnerships have been formed to address the uninsured, this project is unique in that it enhances efficiency and effectiveness of not only the end users who assist people to apply for benefits, but it also enhances the efficiency of the government workers on the back end of the application process at AHCCCS and DES. The automated application process enables savings at both the private and the public sector, for all the partners involved in the project.

SUCCESS/BENEFITS/ROI

Health-e-Arizona replaces the cumbersome tasks associated with applying for public health insurance coverage - hand writing answers to questions on paper application forms, using calculators to summarize income information, writing information multiple times with a computerized system which performs calculations, automatically populates fields and uses built-in error checking to ensure accurate and complete application information. Supporting documentation is faxed and stored as images together with the data entered at the time of the application, ensuring that when the application reaches the designated State agency for processing, there is no information missing due to misplaced pieces of paper. Furthermore, the application reaches the State agency in real time and the evaluation and disposition process can begin immediately.

The first six months of pilot use of Health-e-Arizona by El Rio Health Center and other Federally Qualified Health Centers in Pima County, Arizona, have demonstrated the following benefits of the Health-e-Arizona system over the prior paper application process:

- 66% of applications approved by the State, as compared to 33% per the former paper process
- 19.65 average days from submission of the application to the State to disposition, as compared to 45-60 days
- Disposition of the application entered directly into Health-e-Arizona by the State agency, while the old system had the responses and requests for additional information directed back to the applicant, who in many cases did not understand how to respond and therefore did not complete the requirements.
- Average of 7% of applications awaiting disposition by the State agency at any one time, compared to 45% using the old paper process.

IMPORTANCE

The problem of the uninsured and lack of health care coverage for the poor and near poor is one which affects all areas of the country, not just Arizona. When the project attains its projected outcomes, it is expected that there will be much interest in replicating the project in other states. Application requirements for public insurance coverage vary only

slightly from state to state, and therefore with minor modifications, the application could be used in other states as well as Arizona. Already the state of Indiana has adapted Health-e-Arizona to meet its requirements and is beginning to use the system in one county. Likewise, screens could easily be added on to the application to make it applicable for income screening for other public programs, such as food stamps.

A universal, user friendly, simple to use, financial screening tool accessible over the Internet is likely to be quite attractive to a number of states. As recently as November, 2001, the U.S. General Accounting Office used their *Means-Tested Programs* Report, which noted that, "About 80 means-tested federal programs assisted low-income people at a cost of nearly \$400 billion in federal, state, and local funds in fiscal year 1998." The report goes on to point out that currently the process for determining financial eligibility is cumbersome and can be simplified. Their recommendation was that Congress consider authorizing demonstration projects to simplify and coordinate eligibility determinations for means-tested programs.

Health-e-Arizona was designed with input from eligibility specialists at community health centers, agency staff from the two State Medicaid application processing agencies and Deloitte Consulting (designers of the original California system). It offers features that meet the specific needs of the various partners in the project:

- Entry of application information into the Health-e-App application can be accomplished from virtually any PC with an internet connection and a web browser.
- Supporting documentation is faxed using any standard fax machine to the fax server which will house the images of each document, including a bar coded document control number which matches a bar coded document control number assigned to the application itself.
- Supporting documentation is housed with the application, thus eliminating the need for applicants to present permanent documents (i.e. birth certificates) again when re-applying for coverage. Only changes in information are brought in and submitted with the renewal request.
- Once submitted, the application plus supporting documents is automatically distributed to multiple state workers, locations or agencies, depending on the preliminary eligibility screening business rules built into the Health-e-App application.
- DES/AHCCCS workers can access, view and print applications and documents from virtually any PC with an internet connection and a web browser.
- DES/AHCCCS can redistribute or reassign applications and documents to other workers, locations or agencies electronically without needing to copy and mail paper forms.
- The system keeps track of the eligibility specialists workload, enabling a specialist to initiate an application and suspend it until all the information required is complete and ready to be submitted to the State.
- As the system incorporates the State's business rules for eligibility determination, the eligibility specialist can offer an immediate preliminary estimate of eligibility to the applicant.

DIFFICULTIES OVERCOME

As with any public/private partnership, there are numerous difficulties to be overcome. However, the obvious advantages for all players in the project were instrumental in bringing the parties together with a will to make the Health-e-Arizona project become a reality. It makes good business sense for all to make use of technology to move the application and determination process away from mail, photocopying and manual data entry, and toward a real time, Internet-based application. Some of the hurdles which the project faced are the following:

Policy: Electronic signatures – The State of Arizona had not made use of electronic signatures for the application process and policy changes were needed to enable AHCCCS and DES to accept electronic signatures on applications. It was necessary to structure the application so that once the electronic signature was obtained, the application information could not be modified, thus tying the signature to the information and preventing later tampering.

Technology: Interface between Health-e-Arizona and DES computer system – One of the main advantages of using Health-e-Arizona is that it saves time and labor on the application processing end for DES and AHCCCS, the two state agencies who are charged with eligibilizing applicants. The majority of applications are processed by DES, and the project partners felt that maximum savings would be achieved by establishing an interface between Health-e-Arizona and the DES computer system. The interface would link applicants in the two systems and provide the official disposition of the case from the DES system to the Health-e-Arizona system. With the support of high level DES officials, the interface design has been completed and is in the final stages of testing and implementation.

Rollout: Expanding the use of Health-e-Arizona – Use of Health-e-Arizona was initiated in June, 2002, at El Rio Health Center, the largest community health center in Arizona. Later its use was expanded to other Federally Qualified Health Centers in Pima County. Now the task facing the project partners is to train the other clinic and DES staff around the state to use the system and accept and process applications in this manner. The partners have agreed on a rollout schedule and expect that all community health centers and federally qualified health centers in the state will be using Health-e-Arizona by the end of 2003. At the same time, the challenge is to bring the other two groups of users into the system, that is, hospitals and emergency rooms, and small businesses. These two groups have not been as directly involved in the design and implementation of Health-e-Arizona to date, and their addition to the system will require additional planning and funding. Both sectors have expressed interest expressed in using Health-e-Arizona.

In summary, Health-e-Arizona is a system inspired by the desire to use the latest technology to help low income, uninsured families access all their health care options in the most efficient and effective manner. At the same time, it is designed to reduce cost and effort for both the private and public partners in the project, thus making its use a win-win situation for all parties.