

Report to the Social Services Appropriations Subcommittee

Report on the Status of Suspending Eligibility for Incarcerated Medicaid Eligible Individuals

Prepared by the Division of Medicaid and Health Financing

October 13, 2021



EXECUTIVE SUMMARY

This report is submitted in response to the following recommended action based on as a follow up to HB 460 Medicaid Eligibility Amendments passed during the 2019 General Session.

“Report (with DWS) to Social Services Appropriations Committee by October 1, 2021 on the status of suspending eligibility for incarcerated Medicaid clients.”

The Department of Workforce Services (DWS) began suspending benefits for incarcerated individuals in December 2019. Since the start of this process, DWS has suspended benefits for 3,897 individuals.

- FY 2020 - 1,137
- FY 2021 - 2,355
- FY 2022 - 405

DWS discovers the need to suspend people in two ways:

1. The Medicaid eligible individual reports the incarceration.
2. A match is discovered from the weekly Utah State Prison incarceration report. This is a limited report from the prison which includes information on those that are in the state's custody.

Once known, individuals are flagged as “suspended” in the DWS eligibility system (eRep.) The medical program remains open. This suspension flag is sent to the Medicaid Management Information Systems (MMIS/MMCS) to ensure that medical claims and capitation payments are not paid while the suspension flag is in place.

In order to remove the suspension, the end of incarceration or date of release must be reported to DWS. Once released, the suspension flag is removed from eRep and medical benefits continue. DWS addresses any changes in the individual's circumstances to ensure they are on the proper medical program.

Known issue:

- Currently, DWS only receives automated information from the Utah State Prison in the form of a weekly report. Without a real-time interface with the Department of Corrections and all jails operated in the state, suspensions are placed and removed whenever they are discovered. DWS is not always aware of

incarceration, as the incarceration is not reported nor discovered by the limited interfaces. This results in payments to Medicaid managed care plans, when individuals are incarcerated. There is currently no requirement in state law nor funding for the Utah State Prison or jails to provide a real time electronic interface to eRep for the purpose of identifying when Medicaid eligible individuals are incarcerated or released. The original appropriation was intended to address only changes to eRep to implement this requirement.

