REPORT HIGHLIGHTS

Medicaid Client Correspondence
Performance Audit, September 2020

Department of Health Care Policy and Financing

AUDIT CONCERN

The Department of Health Care Policy and Financing (Department) has taken several steps since the passage of Senate Bill 17-121 to improve Medicaid client correspondence; however, further improvements are needed to ensure that correspondence is understandable and that Medicaid clients and applicants have accurate and complete information about their eligibility and benefits.

KEY FINDINGS

Our review of a sample of 100 notices that were sent to Medicaid clients between October 1 and December 31, 2019, identified 67 notices with one or more problems with the accuracy, completeness, and/or understandability of the correspondence. Specifically:

- 25 sampled notices contained inaccurate due dates, including due dates that afforded clients fewer than the required minimum number of days to take action about their eligibility or benefits (e.g., provide information or documentation or file an appeal).
- 8 sampled notices provided incomplete or contradictory information about the clients' eligibility or benefits status, increasing the potential that a client may misunderstand their approved benefits.
- 8 sampled notices included incomplete or outdated employment and income information, which could lead clients to take unnecessary steps to submit information that the Department and counties already have.
- 40 sampled notices included incomplete contact information for the clients' county eligibility site, potentially impeding clients' ability to seek clarification or resolve discrepancies.

Client notices also included elements that could contribute to client confusion or misunderstanding, such as manually-typed county caseworker notes in English that were included in a Spanish-translation notice or duplicative instructions.

BACKGROUND

Administered by the Colorado Department of Health Care Policy and Financing, Colorado's Medicaid Program is a federal-state program that provides health care coverage and services to eligible low-income families.

The Department issues a variety of notices to communicate with Medicaid applicants and clients about their eligibility and benefit determinations and to request information and supporting documentation.

As a result of an interim study committee convened to address concerns about confusing, inaccurate, and incomplete correspondence, the General Assembly enacted Senate Bill 17-121, which laid out its intent that the Department take steps to ensure the ongoing improvement of Medicaid client correspondence.

RECOMMENDATIONS

- Develop and implement a systematic approach to identify problems in correspondence and prioritize improvements, including identifying all templates used to generate Medicaid client correspondence; expanding routine monitoring activities to include the systematic testing of correspondence sent to clients; and evaluating, prioritizing, and implementing appropriate remedies.
- For identified problems, implement necessary programming changes to the Colorado Benefits Management System (CBMS) and improve guidance and training to county caseworkers, as appropriate.

The Department agreed with the recommendations.