Enrolling in Medicaid Through the National School Lunch Program: Outcome of a Pilot Project in California Schools

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SYNOPSIS

California has several health insurance programs for children. However, the system for enrolling into these programs is complex and difficult to manage for many families. Express Lane Eligibility is designed to streamline the Medicaid (called Medi-Cal in California) enrollment process by linking it to the National School Lunch Program. If a child is eligible for free lunch and the parents consent, the program provides two months of presumptive eligibility for Medi-Cal and a simplified application process for continuation in Medi-Cal. For those who are ineligible, it provides a referral to other programs.

An evaluation of Express Lane shows that while many children were presumptively enrolled, nearly half of the applicants were already enrolled in Medi-Cal. Many Express Enrolled children failed to complete the full Medi-Cal enrollment process. Few were referred to the State Children's Health Insurance Program or county programs. Express Lane is less useful as a broad screening strategy, but can be one of many tools that communities use to enroll children in health insurance.

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The advent of the State Children's Health Insurance Program (SCHIP) brought new opportunities for providing health insurance to children. While some states used SCHIP to expand Medicaid, California added a new program called Healthy Families to the already crowded array of programs for children. Other states have consolidated many of their health insurance programs or simplified the enrollment process, making it virtually seamless at the front end of the enrollment process.¹

However, in California, the system for eligibility and enrollment is poorly coordinated and often requires families to complete complex applications, provide verification of income or citizenship, meet with eligibility workers, and respond to letters of inquiry about eligibility status or missing information.² Moreover, the eligibility guidelines vary among the programs, making it difficult for families—especially those who have members eligible for different programs—to navigate.

Still, California has made substantial progress in enrolling children into its two main programs, Medi-Cal and Healthy Families. Much of this progress is the result of organized efforts to identify and assist families enrolling in existing health insurance programs.³ The complexity of the enrollment systems, however, is an obstacle that has kept many families that are otherwise eligible from enrolling or re-enrolling in publicly financed health insurance.⁴ By 2003, of the nearly 800,000 children without health insurance in California, more than half were eligible for Medi-Cal or Healthy Families.⁵ Similar trends were noted elsewhere in the nation.⁶

In California, legislation aimed at simplifying the eligibility system has established gateways that are designed to bypass many of the procedural steps in the core application process.⁷ Express Lane Eligibility (Express Lane) is one of those gateways that links the Medi-Cal application and eligibility determination process to the National School Lunch Program.⁸ Express Lane was based on the notion that nearly three-quarters of uninsured children already participate in eligibility-based programs, including the National School Lunch Program.⁹ Studies elsewhere have shown that making benefit receipt automatic increases take-up rates for other public programs.¹⁰

Express Lane was authorized by the California Legislature with the enactment of AB 59 in 2001.¹¹ However, because the state provided no financial support for its implementation, The California Endowment and the Blue Shield of California Foundation (two major California philanthropies) funded a three-year pilot project in seven school districts in six California counties: Fresno, Los Angeles, San Diego, San Mateo,

Mendocino, and San Luis Obispo. The Express Lane pilot project was amended three years later by SB 1196, which authorized county social service agencies to refer applications for children denied Medi-Cal to other programs.¹²

METHODS

How does Express Lane Eligibility work?

The Figure shows the steps in the Express Lane Eligibility process. Although Express Lane promised some improvement to the complex enrollment system, applicants go through three distinct steps before enrolling into ongoing Medi-Cal.

First, the school lunch applications are distributed to parents. In many cases, the application was part of a large packet of forms and flyers that are given to parents at the beginning of the school year. Parents have an option to consent to participate in the Medi-Cal application process by returning the school lunch application with a signed consent to participate in Medi-Cal. Once submitted, schools review applications to determine eligibility for the free or reduced lunch program. If the parents provide consent and meet the income eligibility guidelines for free lunch, they are generally determined to be also presumptively Medi-Cal eligible. The application is then forwarded to the local county social service agencies. Those applicants who provide consent but do not qualify for free lunch (including those children whose family income qualifies them for reduced price lunch) are not eligible for presumptive Medi-Cal enrollment. Not all free lunch-eligible applicants meet the Medi-Cal income guidelines. Their applications are still referred to the county social service agencies, but these children are not presumptively enrolled. Instead, they are sent a regular Medi-Cal application to determine if they may still be otherwise eligible for ongoing Medi-Cal.

Once applications are received by the county social service agencies, there are three possible outcomes: (1) the child is found to be already enrolled in Medi-Cal and is denied presumptive eligibility, (2) the family income is determined to be too high for Medi-Cal and the family is also denied presumptive eligibility,⁶ or (3) the family is determined to be Medi-Cal eligible under the Express Lane program and enrolled for a two-month presumptive eligibility period. During this time, they receive full-scope Medi-Cal services. Families are notified of all outcomes of the Express Lane process by mail. In the final step, county social service agencies send presumptively enrolled children a simplified, one-page Medi-Cal application that begins a more formal process of applying for ongoing Medi-Cal beyond

Figure. Schematic of general Express Lane process ^aOnly those families who were Express Enrolled were sent MC 368 forms.

the two-month presumptive period. This application requires families to provide additional information and supporting documents.

Implementing Express Lane

Although designed to simplify enrollment, to be successful, Express Lane requires a high degree of cooperation and communication among the families, local school districts, individual schools, state agencies, and the county social service agencies. To begin, school districts had to amend the school lunch application by adding a section that describes the Medi-Cal program and a place for parents to consent to participate in the Express Lane process. This amendment required approvals from state agencies and delayed the implementation of the program in many of the pilot sites.

Next, school districts and county social service agencies developed outreach projects to inform parents about the program and trained staff to implement Express Lane. New systems were established for receiving the applications, reviewing them, and transferring them from schools to county social service agencies for processing. In later years of the pilot project, new technology was put in place called One-e-App, an electronic application system that allows school districts to submit applications to county social service agencies electronically.

Evaluation approach

Because Express Lane was a new program, a formative evaluation was developed to assess the process of implementing Express Lane and its impact on key outcomes, overall school lunch participation, presumptive and ongoing Medi-Cal enrollment, and utilization of health-care services.

The Express Lane evaluation was implemented in the same time frame as the pilot project itself. Data were collected for three school years: 2003–2004, 2004–2005, and 2005–2006, although not all pilot school districts participated in all three school years. The addition of funding from the Blue Shield of California Foundation in the 2004–2005 school year expanded the pilot project to two additional counties. Therefore, data from the first year of the pilot project exclude the Mendocino and San Luis Obispo sites.

Program data were obtained from the participating schools and county social service agencies. School data include the number of free lunch-eligible children, the number who provided consent, and the number who were referred to county social service agencies. Data from county social service agencies include the number of applicants who were already enrolled in Medi-Cal, the number who were not eligible for Medi-Cal, the

number who were presumptively eligible (Express Enrolled), and the number who obtained full-scope Medi-Cal. Data were obtained for all three years of the pilot project.

To understand the effects of Express Lane on participation in the school lunch program, we compared school lunch participation (those students participating in the school lunch program who were eligible for free and reduced lunch) to the previous year. We also examined school lunch participation for the entire pilot school district, which included non-Express Lane schools, and for all schools in California. To measure utilization, we obtained Express Enrollees' Medi-Cal service utilization data from the California Department of Health Services for the two-month presumptive eligibility period. Because of delays in processing claims data by the state, utilization data were only available for the 2003–2004 and 2004–2005 school years.

During the presumptive eligibility period, children are enrolled in fee-for-services, full-scope Medi-Cal. This enrollment allows service utilization during these two months to be measured by paid claims linked to eligibility files that identify Express Enrollees under specific aid codes. A paid claim is an inpatient stay or outpatient visit in which a claim for reimbursement is submitted by a qualified provider to the state Medi-Cal office. Utilization data are not available for children once they are enrolled in ongoing Medi-Cal, because most children are placed in a managed-care plan, and services are not linked to a paid claim.

RESULTS

Obtaining consent and establishing presumptive eligibility

Children who qualify for free lunch in the participating schools are eligible to participate in Express Lane if they are currently uninsured and meet the income guidelines of both the school lunch and the Medi-Cal program. In each year, we calculated the percentage of free lunch-eligible applicants who provided consent. In 2003–2004, 42% of free lunch-eligible children provided Medi-Cal consent, declining to 14% in the two subsequent pilot years.

When compared to the first year of the pilot, the proportion of free lunch-eligible applicants providing consent experienced a sharp decline in the last two years of the pilot. Of the four original pilot sites, only one school district implemented the program district-wide at the onset of the pilot, and it is likely that the majority of students eligible for the Express Lane program were captured in this first year of the pilot project, yielding far fewer applicants in the subsequent

pilot years. In addition, the Los Angeles school district adjusted its selection process in 2004–2005 and found fewer students participating in the school lunch program who were also eligible for free lunch than initially estimated.

Express Lane did not appear to decrease school lunch participation (Table 1). The number of school lunch applicants increased in each year of the pilot project. In the first two years, the increase was as high or higher in the participating schools than the increase in school districts as a whole and statewide. In the third year, participation increased nearly 5% among Express Lane schools, which was smaller than the overall rate of change among the participating school districts (14%), but still higher than the 2% increase statewide.

Submitting applications to county social service agencies and presumptively enrolling in Medi-Cal

County social service agencies received more than 5,500 applicants in 2003–2004 that were determined to be Express Lane eligible. This number declined to 3,100 in 2004–2005 and 3,700 in 2005–2006 (Table 2). Less than 20% of applicants in each year of the pilot project were ineligible primarily because their income did not meet the income levels for Medi-Cal. In the first year, 1,783 children were presumptively enrolled. This figure represents about 32% of the applications received by county social service agencies. The number presumptively enrolled dropped to 1,254 in the second year, but increased to 1,674 in the third year. However, all projects increased the proportion presumptively enrolled, averaging 45% by the third year, at which point all but one site enrolled more than half of Express Lane-eligible applicants received by the counties.

In 2003–2004, nearly half of the applicants received by the county (48%) were from children already enrolled in Medi-Cal or Healthy Families (Table 2). The proportion already enrolled ranged from 37% to 63% across the pilot sites. In the second and third years, school districts attempted to better screen appli-

cants for existing Medi-Cal coverage. Most counties saw moderate improvement in reducing the number of applications received from children already enrolled in Medi-Cal. Counties tried to improve their efforts to identify already enrolled children by obtaining data files of currently enrolled children, focusing outreach efforts on the importance of returning the supplemental application, and better educating schools that Express Lane was designed for uninsured children. In 2004–2005, the proportion of already enrolled children declined to 44% (ranging from 61% in Fresno to 28% in San Diego), and by 2005–2006 to 38% (ranging from 52% in Fresno to 15% in San Diego) (Table 2).

Final Medi-Cal enrollments

In each of the pilot project years, fewer than one in five applicants received by county social service agencies for Express Enrollment processing were enrolled in ongoing Medi-Cal (either full-scope or restricted). These numbers include enrollments for children who were and were not presumptively enrolled under the Express Lane program, although not all counties were able to differentiate enrollments from these two groups in the first year of the pilot. However, in examining these data in the second and third years of the pilot, the data demonstrate that the large majority of children enrolled in ongoing Medi-Cal (approximately 86%) were presumptively enrolled through Express Lane. Over three years, the percent of applicants enrolling in full Medi-Cal declined slightly from 16% in 2003–2004 to 15% in 2005–2006 (Table 3).

Total enrollment in ongoing Medi-Cal included those children who were Express Enrolled, as well as those who were deemed ineligible for Express Enrollment but whose parents completed the full Medi-Cal application forwarded to them by the county social service agencies. Among children who were initially Express Enrolled, roughly half were newly enrolled in ongoing Medi-Cal in the first year, declining to 35% in the second year and 33% in the third year (Table 3).

Table 1. School lunch participation among Express Lane pilot schools, school districts, and statewide

Academic year	Pilot schools participation		District participation		Statewide participation	
	Number	Percent change	Number	Percent change	Number	Percent change
2002–2003	13,866		422,543		2,658,705	
2003–2004	14,200	2	427,550	1	2,732,026	3
2003–2004	22,636		427,550		2,732,026	
2004–2005	27,438	21	420,020	–2	2,797,411	2
2004–2005	44,525		420,020		2,797,411	
2005–2006	46,626	5	478,557	14	2,865,734	2

Table 2. Number of ineligible, Express Enrolled, and those already enrolled in Medi-Cal as a percentage of applicants received by county social service agencies

School district	Academic year	School lunch applications received (with parental consent)	Ineligible for Express Lane		Express enrolled		Already enrolled in Medi-Cal	
			Number	Percent of applications received	Number	Percent of applications received	Number	Percent of applications received
Fresno Unified School District	2003–2004	479	53	11	124	26	302	63
	2004–2005	1,150	175	15	269	23	706	61
	2005–2006	1,398	174	12	493	35	731	52
Los Angeles Unified School District	2003–2004	3,533	554	16	1,195	34	1,784	50
	2004–2005	789	123	16	393	50	273	35
	2005–2006	952	169	18	385	40	398	42
San Diego City Schools District	2003–2004	229	25	11	115	50	89	39
	2004–2005	481	66	14	280	58	135	28
	2005–2006	714	173	24	432	61	109	15
Redwood City	2003–2004 ^a	1,358	501	37	349	26	508	37
	2004–2005 ^a	309	78	28	129	42	102	33
	2005–2006	19	2	11	10	53	7	37
Lucia Mar ^a	2004–2005	314	34	11	161	51	119	38
	2005–2006	568	85	15	325	57	158	28
Point Arena	2004–2005	27	9	33	7	26	11	41
	2005–2006	14	0	0	10	71	4	29
Laytonville ^a	2004–2005	22	0	0	15	68	7	32
	2005–2006	24	0	0	19	79	5	21
Total	2003–2004	5,599	1,133	20	1,783	32	2,683	48
	2004–2005	3,092	485	16	1,254	41	1,353	44
	2005–2006	3,689	603	16	1,674	45	1,412	38

^aExpress Lane was implemented district-wide.

The decline in the percentage of Express Enrollees who were subsequently enrolled into ongoing Medi-Cal suggests that the school districts' efforts to identify already enrolled and uninsured children at the front end may have resulted in more uninsured children who were not eligible for Medi-Cal.

Not all counties were able to track why applicants were denied ongoing Medi-Cal, although in one county that could, more than three-quarters were denied ongoing Medi-Cal because of failure to complete and return the supplemental application. Other counties indicated in interviews that failure to submit the supplemental application was the primary reason that applicants were denied ongoing Medi-Cal. Other reasons included incomplete applications, voluntary withdrawal of the applications, and not meeting the income or other requirements for Medi-Cal eligibility, among others.

Table 3. Medi-Cal enrollments (full scope, share-of-cost, and restricted) as a percentage of school lunch applicants received and Express Enrolled

Academic year	School lunch applications received	Medi-Cal enrolled		
		Number	Percent of applications received	Percent of Express Enrolled
2003–2004	5,599	916	16	51
2004–2005	3,092	437	14	35
2005–2006	3,689	546	15	33

Table 4. Utilization of services for those presumptively enrolled in Medi-Cal^a

Site	2003–2004			2004–2005		
	Total number of claims		Total number of unduplicated users	Total number of claims		Total number of unduplicated users
	Number	Percent		Number	Percent	
Fresno	60	9	28	69	13	33
Los Angeles	522	76	269	144	26	58
San Diego	53	8	20	150	27	73
San Mateo	49	7	27	33	6	23
Mendocino	NA	NA	NA	26	5	10
San Luis Obispo	NA	NA	NA	129	23	74
Total	684	100	344	551	100	271

^aSource: California Department of Health Services, Medi-Cal Statistics Division

Utilization of services

Based on available data, about one in five Express Enrolled children used health-care services during the presumptive eligibility period. In 2003–2004, of the nearly 1,800 children Express Enrolled, 684 paid claims were generated for 344 unduplicated beneficiaries (Table 4). By 2004–2005, the total number of paid claims submitted decreased to 551 claims for 271 unduplicated beneficiaries, although this decrease likely reflects the smaller number of Express Enrolled children (1,254 children). However, the proportion of Express Enrollees using health-care services during the two-month temporary period actually increased slightly, from 19% in the first year to 22% in the second year (Table 4).

Type of services used

More than half of the claims submitted in both years were for clinical office visits. About one-third of the claims were for pharmaceutical services, followed by lab and X-ray services (11% and 9%, respectively). Hospitalizations were rare, with only two patients hospitalized in the first two years. During site visits, on-site school staff reported that there was a very high need for dental services among the children targeted for Express Lane; however, dental utilization data were not provided in the data file, thus we were unable to assess how many children used dental services during the presumptive eligibility period.

DISCUSSION

Express Lane was designed to simplify and streamline the Medi-Cal (and other insurance products) enrollment process by linking it to the National School Lunch Program. While many children entered the Express Lane process, nearly half were already enrolled in

Medi-Cal. Of those not currently enrolled and who became presumptively enrolled through Express Lane, many did not complete the full Medi-Cal enrollment process; about one-quarter used services during the two-month presumptive eligibility period.

One reason for the low yield in Medi-Cal may be the already high penetration rate for the Medi-Cal and Healthy Families programs in California. Express Lane was implemented in the 2003–2004 school year, shortly after the state, local governments, and private foundations had invested heavily in outreach and enrollment efforts. Using trained application assistants, new enrollments in Medi-Cal and Healthy Families increased and in some California counties, more than 90% of the estimated eligible population was enrolled in state health insurance programs. (Unpublished data from Kronick R and Gilmore T. Medi-Cal and Healthy Families take-up rates: measuring changes over time and across counties. USC Covering California's Kids Evaluation Project, 2005.)

The increasingly saturated Medi-Cal market has reduced the pool of potentially eligible Medi-Cal applicants, making Express Lane a less efficient approach to enrolling Medi-Cal eligible children. But California may have an unusually large penetration rate for Medi-Cal and SCHIP compared to other states, suggesting that the Express Lane approach may be more beneficial in those states that have larger numbers of Medi-Cal eligible children who are not yet enrolled.¹³

It could be that the large number of presumptively enrolled children who did not return the supplemental application form were not eligible for full-scope Medi-Cal because of immigration concerns. Concerns about immigration and public charge issues have subsided although not disappeared in California, and interviews with school district and county social service agency personnel suggest that many immigrant families were

fearful of the application process. Still, it is possible that many of these children were eligible for county-sponsored or private health insurance programs that have no immigration restrictions. Express Lane could become more effective if it included ways to accommodate all available health coverage programs and effectively refer applicants.

There were also unexpected obstacles in the implementation of the Express Lane program. During site visits, on-site and school district staff reported that the addition of Medi-Cal consent language added confusion to the already complex school lunch application and that parents often did not know what they were signing. Moreover, the application is just one of many forms parents are asked to review and sign at the beginning of the school year. Staff reported that many parents may not have carefully reviewed all documents they are asked to sign. This confusion was often identified as the cause for incomplete applications, missing signatures for the Medi-Cal consent portion, and signatures on applications for children who were already enrolled in Medi-Cal. Staff in two school districts also reported that many parents did not sign the Medi-Cal consent because they feared that doing so would reveal their names to immigration authorities.

While Express Lane, like other gateways, brought some children into Medi-Cal temporarily, the administrative steps required for full enrollment are formidable barriers for many families. The Express Lane process was not as simple as many had hoped and led to enrollment delays for many children. This process included obtaining the required Medi-Cal consent, transferring the application between school districts and county social service agencies, notifying parents, and working with parents to return the required supplemental application form. Coupled with programmatic delays at the school district or county social service agencies, these delays made it difficult to quickly move children into the Medi-Cal program.¹⁴

Program and policy lessons

Express Lane in its current form had limited impact as a stand-alone program. It is less useful as a broad screening strategy but can be one of many tools that communities have available to enroll children in health insurance. It can be reasonably implemented without suppressing participation in the school lunch program.

Despite their limited impact, schools should continue to be seen as viable venues for identifying uninsured children who are potentially eligible for available health insurance programs. However, combining new technology (One-e-App) with the personal

one-on-one relationships between families and their schools (teachers, principals, school nurses, and health aids) may be more productive in enrolling children in health programs than Express Lane, which relies on signing and submitting forms with minimal and inconsistent education of the families at the front end of the process and a cumbersome interagency system on the back end.

States should continue to explore the feasibility of such gateways, especially those that extend presumptive eligibility and simplify the enrollment process.¹⁴ For children who were enrolled through Express Lane, the presumptive eligibility period proved to be an important component because so many children took advantage of the care available within the two-month presumptive eligibility period. Utilization data suggest a trend in use of services by children newly enrolled in Medi-Cal similar to the child health services utilization rates reported in national health surveys.¹⁵

The Express Lane pilot project also demonstrates that administrative and policy obstacles to enrollment continue to pose formidable barriers for children and their parents. Thus, programs such as Express Lane are likely to be more successful if these administrative barriers can be removed and policies implemented to promote a simple and seamless enrollment system covering all children's health programs. This system could be facilitated by a new technology that could integrate the application process, enrollment management and tracking and eligibility determination process for a state and its local jurisdictions. While the benefits of Express Lane enrollment are modest, advocates, funders, service providers, and consumers should continue to identify innovative policy solutions that cover all children, reduce barriers to enrollment, and create a "no wrong door" approach to health care.

The study was funded by grants from The California Endowment and the Blue Shield of California Foundation.

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