



## Lessons from California:

### Medi-Cal Application Backlog

#### THE ISSUE:

Earlier this month, CMS sent several states, including California, [a letter](#) requesting that the states provide a mitigation plan to finish processing Medicaid applications that have been pending since at least January 2014. There were almost [a million](#) applications pending in California at one time, with at least half of those that had not been processed within the federally required 45 days. The primary culprit for the backlog is an enrollment system that was not initially designed to properly interface with the existing Medi-Cal eligibility systems, which remain operational. Unfortunately, [the State's mitigation plan](#) to CMS estimates a decrease from the current total of [600,000 to only 350,000](#) pending applications. And despite the severity of the backlog and malfunctioning IT system, the State continues to refuse to delay Medi-Cal renewals this year, only adding to the demand on resources.

#### ADDITIONAL RESOURCES

42 CFR § 435.912(c)(3)(ii)

[CMS State Medicaid Director's Letter on Facilitating Medicaid and CHIP Enrollment and Renewal in 2014 \(May 15, 2013\)](#)

#### STRATEGY AND ACTIONS:

California advocates have been trying to address the backlog through weekly [stakeholder meetings](#) focused on the IT fixes needed in the eligibility and enrollment system (CalHEERS) as well as with the state Medi-Cal agency. Advocates have provided written comments on drafts of Medi-Cal guidance that outlined a variety of [workarounds](#) to help process pending applications despite the IT problems. Even with these forums and regular communication with the State, advocates have been unable to get reliable data about the number of applications pending or clear answers about how the backlog would be reduced.

Frustrated with the lack of a clear plan by the State, the Health Consumer Alliance (HCA) sent a [letter](#) to the Governor with suggested policy solutions that could be implemented in the interim, recognizing that the IT fixes needed to ultimately solve the problems would be a longer-term effort. A [Public Records Act request](#) to obtain specific data about the pending applications was also filed. Advocates requested and drafted a [notice](#) to be sent to all pending applicants and also asked the State to grant Presumptive Eligibility (PE) for applicants pending over 45 days. Although the State obtained federal approval to [provide PE](#) to a group of pending applicants in December 2013, it has been reluctant to use that tool again. The State has agreed to adopt the HCA's proposed [notice](#) and send it to pending applicants, but has yet to respond to the other recommendations in the letter.