



## Increasing Access to Health Care for the Poor: What Can We Learn from the SB 87 Experience?

*Jane Gilbert Mauldon, Sung Man Cho, and Kamran Nayeri*

Responding to the widespread loss of Medi-Cal coverage among families leaving TANF, California enacted Senate Bill 87 (SB 87) in September 2000. This law reduces paperwork requirements so as to facilitate the continued Medi-Cal enrollment of people who, upon leaving public-assistance programs that provide automatic Medi-Cal enrollment such as TANF and SSI, risk losing coverage. Under SB 87, county Medi-Cal eligibility staff are required to open the re-determination process by reviewing the information already available in the beneficiary's file (*ex parte* review). If additional information is necessary, staff are required to ask the beneficiary for it by phone and mail. Legislators intended and advocates hoped that this approach would lead to seamless continuation of Medi-Cal coverage for more people leaving public assistance. We examined the extent to which these intentions and hopes were met.

### RESEARCH QUESTIONS

We used monthly Medi-Cal enrollment data to evaluate the impact of SB 87 on those who left TANF and SSI ("leavers"). First, we compared enrollment rates in Medi-Cal before and after SB 87 implementation to assess whether the mandated changes in the re-determination process increased Medi-Cal enrollments. Second, we examined whether SB 87 increased the use of regular Medi-Cal programs as opposed to Temporary (Edwards) Medi-Cal program. Under the latter program, TANF leavers had been offered at least one month of Temporary Medi-Cal while they prepared and submitted paperwork for their eligibility re-determination. However, Temporary Medi-Cal use varied greatly among counties; some kept beneficiaries on for several months. This led to a third question: Did SB 87 lead to more cross-county uniformity in post-welfare Medi-Cal coverage rates of TANF and SSI leavers? Finally, we examined whether ethnic and language subgroups had distinct experiences, given that

factors such as English proficiency or ethnic cohesion might facilitate the benefits of SB 87.

### DATA AND METHODS

Using Monthly Eligibility Data System (MEDS) data from January 1999 to December 2004, we drew samples of SSI and TANF leavers randomly selected from the periods before and after SB 87 implementation. Separate datasets were created for SSI and TANF leavers, and within each program we took each individual's first exit from aid prior to, and their first exit after, SB 87 implementation.

Leavers are defined as individuals who, after receiving TANF or SSI cash aid for at least one month, did not receive SSI, TANF, Safety Net, or Foster Care cash aid (all of which provide automatic Medi-Cal enrollment) for at least three consecutive months. This three-month requirement distinguished true leavers from people transitioning from one type of cash aid to another or from those temporarily dropped from the program because of paperwork problems.

The implementation of SB 87 among SSI recipients was delayed by a decision of the Department of Health Service (DHS) that was later challenged in court (*Craig v. Bonta*). We excluded from analysis all who exited SSI during the litigation and the subsequent period when DHS was processing the backlog of cases. Finally, because Los Angeles County had a Medi-Cal waiver in place between 1995 and 2005 that appeared to have substantially increased post-welfare Medi-Cal enrollment before SB 87 implementation, that county was excluded from most of the analyses.

We interviewed knowledgeable staff in 18 counties (including Los Angeles County) and in DHS about SB 87 implementation and about some of our findings. These interviews were summarized and utilized in (re)interpreting findings from our quantitative analysis.

### FINDINGS

- After SB 87 implementation, post-assistance enrollment in Medi-Cal statewide (including Los Angeles County) jumped by 7% for TANF leavers and over 10% for SSI leavers statewide. With

Los Angeles County excluded, the effects are far larger: the proportion of TANF leavers without Medi-Cal coverage dropped by approximately one-third.

- Fewer TANF leavers were enrolled in temporary programs after SB 87 than before. Excluding Los Angeles County, the proportion in regular Medi-Cal rose from one-third to more than half of all leavers.
- An entirely different effect was found among SSI leavers, who previously had not had access to a temporary Medi-Cal program. Under SB 87, a new category of “Disabled, Pending SB 87 Re-Determination” was created for SSI leavers, which accounts for virtually all the expansion of post-SSI Medi-Cal coverage under SB 87.
- County enrollment rates for TANF leavers converged substantially. Before SB 87 the 12 counties with the highest enrollment rates (the top quintile, excluding Los Angeles County) all had more than 67% of leavers on Medi-Cal and the bottom quintile had less than 51% enrolled, a gap of 16 percentage points. The post-SB 87 statistics showed that this gap had shrunk to eight percentage points, from 75% to 67%. Some of this trend toward equalization of TANF leavers’ enrollment rates is accounted for by increased enrollment into regular (as opposed to Temporary) Medi-Cal programs.
- Once again SSI shows a different pattern. The newly created re-determination category was used more heavily in some counties than others, which led to wide variations in post-exit coverage rates after SB 87 was implemented.
- Finally, ethnic and language groups show different SB 87 impacts. In part this is because of county differences. For example, TANF leavers statewide (excluding Los Angeles County) showed a 12.2-percentage-point gain in Medi-Cal coverage, and white English speakers gained 12.9 points, but African Americans’ coverage rose only 9.2 percentage points. Geography—specifically, county of residence—explains some gaps. For example, African Americans are quite heavily concentrated in Alameda County, which

experienced a 5-percentage-point drop in post-welfare coverage by reducing its heavy reliance on Temporary Medi-Cal. Leaving aside the Alameda County effect (and excluding Los Angeles County), African Americans statewide fared as well as other groups.

- Even after accounting for county effects, we found large gains in coverage among individuals who spoke an Asian or Pacific-Islander language. These non-English-speakers enjoyed larger gains than English-speaking members of the same ethnic groups, and they also did substantially better than other residents of the counties in which they were concentrated. Coverage for non-English-speaking Asian-Pacific Islanders rose 16.5 percentage points after TANF, while speakers of Vietnamese gained 14.3 points, and non-English-speaking South East Asians other than Vietnamese gained 13.5 points. These gains were the more remarkable because these non-English-speaking groups were already more likely than others to continue on Medi-Cal after leaving public assistance.

## **RECOMMENDATIONS**

SB 87 has substantially increased Medi-Cal enrollments among eligible TANF and SSI leavers. This has been achieved by changing the eligibility determination process and reducing paperwork and reporting requirements. It has also reduced intercounty disparities in post-welfare Medi-Cal enrollment by replacing variation in Temporary Medi-Cal use with a more uniform use of regular Medi-Cal programs. These are the outcomes hoped for by the policy’s proponents.

In addition to showing the benefits of adopting a more uniform statewide Medi-Cal policy, our findings suggest that “concentration” matters. Asian-Pacific Islander and South East Asian groups benefited the most from SB 87. These groups—and particularly non-English speakers among them—are concentrated in a few counties. But those counties did not enjoy better program impacts than other counties; rather, the non-English-speaking groups gained more coverage than others in the same counties. We speculate that cohesive social networks and effective within-group communication as well as, in some cases, previous experiences navigating refugee assistance programs

may have helped these groups benefit from the new policy.

Interviews with knowledgeable county Medi-Cal eligibility staff suggest that further progress is possible along these lines by further simplifying paperwork and reporting requirements, and providing special assistance to particular groups, including support to community-based organizations. For instance, a number of counties have found that the MC 355 form send out to collect eligibility information should be further simplified, shortened, and provided in more languages. For SSI leavers, who have special needs because they are aged, blind, or disabled, it may be necessary to facilitate the eligibility process even more. County staff pointed out that telephone calls or the use of the MC 355 form to collect eligibility information from this population is often a frustrating experience and eligible clients may not be able to respond adequately.

*Jane Gilbert Mauldon is associate professor in the Goldman School of Public Policy and associate director of the Survey Research Center (SRC), University of California, Berkeley (UCB); Sung Man Cho is a doctoral student in the Department of Economics of UCB and graduate student researcher at the University of California Data Archive and Technical Assistance (UC DATA/SRC); and Kamran Nayeri is a research economist at UC DATA/SRC. The California Program on Access to Care provided funding for this study.*

## **ABOUT CPAC**

The California Program on Access to Care (CPAC) is an applied policy research program established by the University of California at the request of the state legislature to address issues related to access to health care for low-income populations. Areas of examination include an assessment of health services for the state's working poor population, paying particular attention to immigrant workers and their families, and low-income households in agricultural and rural areas.

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### **California Program on Access to Care**

California Policy Research Center, University of California Office of the President  
1950 Addison Street #203, Berkeley, CA 94720-7410 c Tel: 510-643-3140 c Fax: 510-642-7861  
Email: cpac@ucop.edu, <http://www.ucop.edu/cprc/cpac.html>