

Telephonic Signatures: An Essential Tool for Enrollment

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The Affordable Care Act (ACA) envisions a single, streamlined, electronic application and verification process for health coverage that remedies many of the challenges and inefficiencies that exist in today's public benefits system. The law also ensures that individuals and families can obtain coverage in multiple ways by requiring states to accept applications online, in person, by mail, and by telephone.¹ This policy brief focuses on the critical role that telephonic signatures, or "spoken signatures," can play in the success of each state's telephone application process. States must prioritize the adoption of telephonic signatures now to ensure that new state IT systems will be able to develop this technology for use by exchange call centers, navigators, and assisters before open enrollment begins in October 2013.

Background

A recent three-state study conducted by Lake Research Partners found that nearly as many low-income people want assistance by telephone as in person, and almost twice as many want help over the phone compared to those who want help online.^{2,3} This research suggests that phone applications will be especially important to supporting enrollment in health insurance that will be available to individuals and families in 2014 (Medicaid, the Children's Health Insurance Program (CHIP), and coverage through a health insurance exchange).

A telephonic signature is a type of electronic signature that uses an individual's recorded verbal assent in place of an ink signature, and it is considered legally enforceable in both the private and public sectors under certain conditions.⁴ In addition to significant use of telephonic signatures in the private sector, the federal government has been testing various ways to implement telephonic signatures since the 2008 Farm Bill, which allowed state agencies to accept "spoken signatures" for the Supplemental Nutrition Assistance Program (SNAP, formerly the Food Stamp Program).⁵ The goal of this rule change

was to develop a more efficient and cost-effective application process for individuals and government agencies by allowing SNAP applicants to avoid the lengthy and often unreliable mail exchange to submit ink signatures.

A review of various approaches to implementing telephonic signatures approved by the U.S. Department of Agriculture (USDA) provides useful insight into the kinds of technology that work best for consumers (see table).

Three Different Approaches to Telephonic Signatures

| | Implementing Agency | Type of Recording | Lessons Learned |
|---------------------------|--|---|--|
| Pennsylvania ⁶ | Nonprofit organization, in collaboration with Pennsylvania Department of Public Welfare | Full phone calls were recorded and stored by non-profit organization and made available to SNAP agency on request | PRO: Successfully streamlined application process CON: Different technology solution needed to allow SNAP agency to accept and store telephonic signatures |
| Wisconsin ⁷ | Wisconsin Department of Human Services | Only the signature portion of each phone call was recorded and stored by SNAP/Medicaid agency with specialized software | PRO: Successfully streamlined application process CON: More consumers could have accessed the streamlined application if the technology design had included community-based organizations |
| Florida ⁸ | Florida Departments of Elder Affairs and Children and Families, in collaboration with Area Agencies on Aging | Interactive voice response (IVR) system | PRO: Successfully streamlined application process for some households CON: Applicants with diminished hearing had difficulty using automated IVR system |

What's Changing?

While the federal government has allowed states to accept electronic signatures for Medicaid and CHIP for several years, the Affordable Care Act will *require* states to accept electronic signatures in 2014.⁹ Subsequent regulations from the Centers for Medicare and Medicaid Services (CMS) confirm that “electronic, including telephonically recorded, signatures and handwritten signatures transmitted via any other electronic transmission must be accepted.”¹⁰ Because the law requires exchanges, Medicaid, and CHIP to use a single, streamlined application, and because the exchanges must accept applications via telephone, the telephonic signature requirement also extends to the exchanges.¹¹

CMS is expected to issue detailed guidance around the use of telephonic signatures in the coming months, and it has stated that forthcoming regulations will allow states significant flexibility. Even so, CMS will likely require states to ensure that telephonic signatures are transferable to and among relevant entities (i.e., from the exchange to the Medicaid or CHIP agency, and vice versa). Such a requirement would ensure that all relevant application information travels between agencies in a single case file and that applicants are never required to submit duplicate information.¹²

It is important to note that states with federally facilitated exchanges (FfEs) may implement the telephonic signature provision differently than those with state-based exchanges, since the responsibility for collecting and accepting telephonic signatures will fall primarily on the federal government and its exchange call center. That being said, states with FfEs must still prepare to accept telephonic signatures into their Medicaid and CHIP eligibility systems, since states will maintain control over both programs.

Keeping Your State on the Right Track

Now is the time for states to develop their telephonic signature technology. Because the Affordable Care Act requires states to accept telephonic signatures from applicants for health coverage in 2014, states need to make immediate plans to include telephonic signatures in their IT infrastructure. The following are the most important questions for state leaders and engaged advocates to consider:



How will the exchange, Medicaid agency, and CHIP agency in your state **record** a telephonic signature and, if necessary, **isolate** the signature from the rest of the call?

- The exchange, Medicaid agency, and CHIP agency are required to accept the single, streamlined application for insurance affordability programs. This application will include the option for an ink, electronic, or telephonic signature.
- The exchange, Medicaid agency, and/or CHIP agency may achieve administrative savings by only recording and storing the actual signature portion of a telephone conversation, rather than the entire application conversation. This administrative decision should not have any effect on consumers.



How will the exchange, Medicaid agency, and CHIP agency in your state **store** a telephonic signature? Will the format allow the signature to be easily **attached** to the rest of the applicant's case file (for example, as an .mp3 or .wav file)?

- Regardless of which agency makes the eligibility determination for an insurance affordability program, the applicant's telephonic signature must be securely stored by that agency for a defined time period, as would be required for a paper signature.



How will the exchange in your state **transfer** a telephonic signature to other agencies as part of the applicant's case file?

- The exchange, Medicaid agency, and CHIP agency will need to be able to securely transfer signatures back and forth, along with the rest of the applicant's case file.
- If the exchange plans to offer online accounts to allow consumers to track health information, the initial application and signature could be stored and shared with the consumer through this account.



How will your state accept telephonic signatures from **application assisters**, such as community-based organizations in the navigator or in-person assistance programs?

- This is especially crucial, as the ability to use a telephonic signature should not be limited to applicants who apply through the exchange call center. Telephonic signatures should be an option for people who get help from a trusted and trained community partner, but cannot apply in person due to distance, work hours, lack of child care, etc. To ensure that assisters can accept telephonic signatures, exchanges could do one of the following:
 - **Allow qualified application assisters to upload an audio recording** onto the exchange website, as long as it meets all requirements for a valid telephonic signature, just as assisters might upload paper verification in certain circumstances.
 - **Create an automated phone system** that assisters and applicants can jointly call to record a telephonic signature, as long as the exchange is able to link the recording to the application in real time.

Conclusion

Effective assistance over the phone will play a key role in ensuring that health reform reaches the millions of Americans who will be newly eligible for coverage in 2014. Whether states are operating their own exchanges or partnering with the federal government, they can benefit from seeking out best practices in telephonic assistance and engaging diverse stakeholders to make the most of state IT development.

About Benefits Data Trust

Benefits Data Trust is a national not-for-profit organization committed to transforming how people in need access public benefits. To meet this mission, Benefits Data Trust partners with diverse stakeholders to implement cost-effective and scalable outreach and enrollment strategies and delivers data-driven solutions to create a more coordinated benefits enrollment system.

For more information about this policy brief, please contact Rachel Cahill, Director of Policy, at 215-207-9108 or rcahill@bdtrust.org.

Endnotes

¹ The Affordable Care Act (ACA), §1413.

² Lake Research Partners, *Enrolling in Health Coverage in California: Preliminary Insights from Consumers on Enrollment Methods for Public and Private Health Coverage* (Oakland, CA: The California Endowment and California HealthCare Foundation, August 2011), available online at <http://www.chcf.org/~media/MEDIA%20LIBRARY%20Files/PDF/S/PDF%20Sacto08162011ConsumerPerspectivesEnrollment.pdf>; Deepak Madala, *Bridging the Enrollment Gap: The Importance of Providing In-Person Assistance* (Washington: Enroll America, August 2012), available online at http://files.www.enrollamerica.org/best-practices-institute/publications-and-resources/2012/In-Person_Enrollment_Assistance.pdf.

³ Lake Research Partners, *Preparing for 2014: Findings from Research with Lower-Income Adults in Three States* (Princeton, NJ: State Health Reform Assistance Network, June 2012), available online at <http://www.rwjf.org/content/rwjf/en/research-publications/find-rwjf-research/2012/06/preparing-for-2014.html>.

⁴ Government Paperwork Elimination Act (GPEA), §1707; Electronic Signatures in Global and National Commerce Act (E-SIGN), §105(5).

⁵ The Food, Conservation, and Energy Act of 2008 (FCEA), §4119. Proposed regulations were issued on May 4, 2011, but they have not been finalized.

⁶ The Pennsylvania Department of Public Welfare partnered with Benefits Data Trust on a two-year USDA-funded demonstration project, known as BenePhilly. The full BenePhilly evaluation report is available online at http://www.bdtrust.org/uploads/medium/file/235/2012_BenePhilly_Final_Report.pdf.

⁷ Rich Albertoni, *Wisconsin Operations Memo Re: Request for Assistance (RFA) Telephonic Signature Policy and Process* (Madison, WI: Department of Health Services, December 2011), available online at <http://www.dhs.wisconsin.gov/em/ops-memos/2011/pdf/11-66.pdf>.

⁸ Survey results suggest that some applicants had trouble understanding the automated voice signature process. See Bureau of Planning and Evaluation, *2011 SNAP Telephone-Application Survey Report* (Tallahassee, FL: Florida Department of Elder Affairs, October 2011), available online at http://elderaffairs.state.fl.us/doea/Evaluation/SNAP_2011.pdf.

⁹ The Affordable Care Act (ACA), §1943(b)(1)(A).

¹⁰ 42 CFR §435.907(f).

¹¹ 45 CFR §155.405(c)(2)(ii).

¹² The Affordable Care Act (ACA), §1943(b)(1)(C).

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