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Research *to* Practice

Collaboration Between Medicaid and Other State Agencies
by Jennifer Sullivan, Dana Scott Gilmore, and Susan Foley

Introduction

In the past several years, Medicaid agencies have had an increasing number of opportunities to participate in multi-agency efforts to promote employment for people with disabilities *(see box to the right)*.

The goal of these programs, to improve employment prospects for people with disabilities, is more in alignment with the priorities of disability-focused and employment-focused agencies than with the traditional Medicaid mission of providing health care to low-income Americans. Given their new role in the employment equation, how are Medicaid agencies collaborating with these other agencies on employment issues? This brief uses data from the 2001 National Survey of State Systems and Employment for People with Disabilities to explore what types of collaboration Medicaid agencies are using and with whom they are collaborating.

Clear patterns emerged in the survey responses with respect to both the methods of collaboration Medicaid agencies most commonly use and the types of agencies with which they most often collaborate. The most common types of collaboration reported by Medicaid agencies were "activities" such as trainings and working groups, rather than more substantial structural or financial changes. Medicaid agencies also tended to collaborate more with the TANF and Welfare to Work agencies, with which Medicaid shares a similar client base, than with other more disability- or employment-focused agencies. These patterns provide insight into how Medicaid works with other agencies and will be able to inform future collaboration efforts as Medicaid agencies continue to be more involved in the issue of employment for people with disabilities.

About the survey

The National Survey of State Systems and Employment for People with Disabilities was a survey of state agency directors conducted by the Institute for Community Inclusion in summer and fall 2001. The survey addresses state agency activities and interagency collaboration related to employment opportunities for people with disabilities. Data were gathered from 265 respondents representing state Vocational Rehabilitation agencies, Commissions for the Blind, Mental Retardation/Developmental Disability agencies, Mental Health agencies, Temporary Assistance for Needy Families (TANF) agencies, Medicaid agencies, and Workforce Development Offices (One-Stop Career Centers).

Medicaid and Employment of People with Disabilities

Medicaid's traditional role is as the state/federal insurance program for low-income Americans; as such it has primarily served people who were not earning any substantial income. In recent years, however, as public policy has increasingly emphasized employment for people with disabilities, federal initiatives have emerged that involve Medicaid in efforts related to employment of people with disabilities.

For example:

- Under the Workforce Investment Act of 1998 (WIA), state Medicaid agencies can participate in state Workforce Investment Boards, statewide WIA planning processes, and networks of local One-Stop Career Centers.

- The Ticket to Work and Work Incentives Improvement Act of 1999 (TWWIIA) and the Balanced Budget Act of 1997 (BBA) give state agencies the option of offering Medicaid Buy-In to working adults with disabilities who otherwise would be disqualified from Medicaid because of income limits. TWWIIA also established the Medicaid Infrastructure Grant Program to support state development of employment-related Medicaid supports.

- Through the State Partnership Systems Change Initiative (SPI), started in 1998, the Social Security Administration and the Rehabilitation Services Administration provide funds for the development of state-wide efforts (often involving Medicaid agencies in some way) to increase work opportunities for people with disabilities.

As these options have emerged, Medicaid agencies have taken on a more central role in the employment of people with disabilities. Because of this increased role for Medicaid in the employment arena, ICI surveyed Medicaid agency directors in each of the fifty states plus the District of Columbia as part of the National Survey of State Systems and Employment Services for People with Disabilities. The Medicaid version of the survey explored how state Medicaid agencies were participating in WIA, their implementation of Medicaid Buy-In programs, and how they were collaborating with disability, poverty, and employment agencies to advance employment of people with disabilities. Thirty-seven Medicaid agencies responded to the survey.

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Findings: Collaboration by Method

The survey asked Medicaid agency representatives to indicate whether they used several specific methods of collaboration with various other state agencies *(see table, page 3)*. Based on their responses, the methods of collaboration used can be grouped into three basic types: **activity, structural,** and **financial.**

Activity methods, which include cross-agency awareness training and multi-agency working groups, are practices that can be overlaid on an existing system without requiring structural or institutional change. Activities are the simplest way to collaborate, particularly in new collaborations among agencies that have not traditionally worked together. As would be expected based on their ease of implementation, activities were the most often reported types of

collaboration. Medicaid agencies reported high levels of cross-agency awareness training (over 70% of respondents) with MR/DD, MH, VR, TANF, and Welfare to Work agencies and similar levels of participation in multi-agency working groups with MR/DD, MH, and VR. Activity-based collaboration with One-Stop agencies was less prevalent, but still clearly present, with over one-third of respondents indicating that they did participate in activity measures with One-Stop entities.

Structural methods are longer-term, more involved approaches that have to do with the physical and organizational structure within which agencies work and interact. Structural methods include physical co-location of offices, sharing of computer networks, sharing of client tracking databases, and sharing of clients' intake information. The reported rates of use of these methods by Medicaid agencies were considerably lower than for activity methods. Sharing of client tracking databases was particularly low, with the percentage of respondents using this measure in the single digits for most agencies. Physical co-location, shared computer networks, and shared intake information were more common, with about 20-30% of respondents using them. The exception to these lower levels was structural collaboration with TANF and Welfare to Work agencies, which was much more common. For example, 70-80% of Medicaid agencies reported sharing computer networks, client tracking databases, and intake information with TANF, and 40-60% reported using those measures with Welfare to Work. These high rates of structural collaboration reflect a high level of collaboration overall with TANF and Welfare to Work, as described further in the next section.

Financial methods of collaboration involve sharing of funds across agencies. The one financial method included in the survey, cost-sharing for direct services, had moderate levels of use by Medicaid agencies. Like other measures, responses differed notably across agencies. About half of the Medicaid respondents reported sharing the costs of direct services with the MR/DD, MH, TANF, and Welfare to Work agencies, while fewer respondents reported cost-sharing with VR and One-Stop. The higher use of cost-sharing with MR/DD and MH likely results from the use of Medicaid funds to pay for home and community-based services provided by the disability agencies. Cost-sharing with TANF and Welfare to Work reflects an overall high level of collaboration with these agencies *(see next section)*.

Methodology

The National Survey of State Systems and Employment for People with Disabilities, administered by ICI in 2001, included an extensive section on collaboration among agencies.

The survey sent to Medicaid agency directors asked them to identify those state agencies with which they engaged in the following activities:

- Participation in **cross-agency awareness training** to staff
- Participation in **multi-agency working groups** that target employment for individuals with disabilities
- **Sharing a computer network** (e.g., document sharing)
- **Sharing a client tracking database** system that allows the agencies to access each other's intake and client information
- **Sharing intake information** to determine eligibility for services
- **Sharing the costs of direct services** for shared clients

Medicaid agency representatives were asked whether they used these collaboration methods with each of six agencies:

- Vocational Rehabilitation (VR)
- Mental Retardation/Developmental Disabilities (MR/DD)
- One-Stop Career Center (One-Stop)
- Mental Health (MH)
- Temporary Assistance for Needy Families (TANF)
- Welfare to Work (WtW)

In addition, the surveys sent to VR, MR/DD, One-Stop, MH, and TANF agencies included questions on how those agencies were collaborating with Medicaid. The responses of other agencies are used here to discuss reciprocity to the Medicaid agencies' reported use of collaboration.

Findings: Collaboration by Agency

In addition to the patterns by type of activity described above, the survey responses also revealed patterns by agency. Three groups of agencies emerged from the survey responses: **disability agencies** (MR/DD, MH, and VR), **poverty agencies** (TANF and Welfare to Work), and **employment agencies** (One-Stop). While VR and Welfare to Work both have missions that cross these categories, each clearly fit into one category based on the survey responses.

The highest reported use of collaboration measures was with the poverty agencies, and with TANF in particular, while the lowest reported use of collaboration was with the One-Stop agencies. This pattern of responses by agency is further corroborated by the responses of other agencies regarding Medicaid. One-Stop agencies reported the lowest implementation of collaboration measures with Medicaid, while the highest reported collaboration with Medicaid was by TANF.

In the Medicaid agencies' responses, TANF stood out with very high use on several measures, while collaboration with Welfare to Work was also often higher than with other agencies. The high level of collaboration with poverty agencies is not surprising given that Medicaid has a high degree of overlap with these agencies in terms of clientele served. This overlap

of clientele is reflected in the fact that the highest percentages of positive responses were for sharing a computer network, a client tracking database, and intake information with TANF. The connectedness among Medicaid and the poverty agencies is also reflected in the fact that high levels of structural collaboration were reported with the poverty agencies, while activity measures were more commonly used with disability and employment agencies.

Responses regarding the three **disability agencies** very closely paralleled each other. Rates of activity collaboration with these agencies were very high, and sharing costs of services was fairly common as well, while structural collaboration was much less prevalent. The preponderance of activity measures may reflect an effort to collaborate in new ways among agencies for which collaboration traditionally involved mostly the exchange of funds.

By far the lowest rates of collaboration reported by Medicaid respondents were with the One-Stop agencies, the only solely **employment-focused agencies** included in the survey. This low rate of collaboration with One-Stop agencies reflects the fact that One-Stops' mission and client base share less common ground with Medicaid than the other agencies'. As described in the introduction, the idea of

Table: Percent of Medicaid agencies reporting collaboration by agency and type

Low (L) = 0-30% Medium (M) = 31-60% High (H) = 61%+			AGENCY					
			Disability			Poverty		Employment
			MR/DD	MH	VR	TANF	WtW	One-Stop
TYPE OF COLLABORATION	Activity	Cross-agency awareness training	H	H	H	H	H	M
		Multi-agency working groups	H	H	H	H	M	M
	Structural	Physical co-location	L	L	L	M	M	L
		Sharing a computer network	L	L	L	H	M	L
		Sharing a client tracking database	L	L	L	H	M	L
		Sharing intake information	L	L	L	H	M	L
	Financial	Sharing the costs of direct services	M	M	M	M	M	L

Medicaid as a player in employment issues is relatively new, so Medicaid's role may not have yet extended to significant involvement in the One-Stop system. Given the One-Stop agencies' role as service coordinators, however, this finding may indicate an area of untapped potential for future collaboration.

Conclusions and Implications

The findings presented here indicate that much of the collaboration Medicaid agencies engage in is with agencies such as TANF, with which it has traditionally shared a similar client base and mission (serving low-income people). Collaboration with disability agencies is less prevalent and more focused on activity-type measures, while collaboration with One-Stop Career Centers is relatively uncommon.

Collaboration between Medicaid and the disability and employment agencies could play an important role in the expansion of Medicaid's role with respect to employment of people with disabilities and in the implementation of WIA and TWWIIA. The fact that such collaboration is not very common, particularly with the One-Stop system, indicates that there is still room for significant expansion of Medicaid agencies' involvement or that Medicaid is involved in other ways. Further research into other mechanisms such as the State Partnership Systems Change Initiative and the Department of Labor grant programs would provide more information on how Medicaid agencies are involved in employment and where there is more room for expansion.

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