

INTERSECTING WORLDS

Promoting Affordable Care Act
Enrollment Through Community
Tax-Preparation Programs



case
study



PREPARED FOR THE ANNIE E. CASEY FOUNDATION BY STEVE HOLT

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Photos courtesy of Liz Moskowitz and Foundation Communities (Austin), David Cornwell (Colorado), Prepare + Prosper (Minnesota) and Alain McLaughlin (United Way of the Bay Area).

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INTERSECTING WORLDS

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Introduction

On a sunny spring day in Austin, Texas, looking across a concrete expanse, you see a cluster of cars parked in front of what appears to be an abandoned shopping mall. Inside the building, a long line of people stretches down the upper floor past empty retail spaces, winding toward a pair of bustling storefronts with a buzz of hectic, purposeful activity. At the hive's entrance, a greeter with a clipboard directs traffic, asking and answering questions. Inside are intake stations and sign-in sheets; cubicles with computers, staff and applicants cram a larger brightly lit room to the right.

Welcome to Foundation Communities' combination health insurance enrollment and tax-return preparation site at Highland Mall. It's mid-morning on Monday, March 31, 2014, the last day of open enrollment for the new health care exchange, and one by one, the computer screens switch to a common image. The clicking of keyboards gradually dissipates; HealthCare.gov is crashing. But the hive quickly recovers its churn and buzz as staff and volunteers find ways to keep the process moving, continuing until well after the sun has set.

Purpose

The first year of Affordable Care Act (ACA) implementation was a tumultuous one. As it progressed, the community tax-preparation field saw promise and potential challenges in

seizing the opportunities presented by this major social change. This report looks at the involvement of community tax-preparation programs in the first year of outreach for and enrollment in expanded health insurance coverage under the ACA.

Across the country, an array of organizations — usually offering free services under the auspices of the Internal Revenue Service's Volunteer Income Tax Assistance (VITA) program — prepares tax returns for lower-income individuals and families. Many of these organizations strive to connect the people they serve with other opportunities for building household financial stability, such as access to affordable health care, but they have tended to operate separately, and even in isolation from, health-service and advocacy organizations.

This report focuses on four organizations that secured funding and developed programming that bridges the tax and health worlds. It is based on extensive interviews with the programs and their community partners, as well as others in health advocacy and community tax preparation.

In 2015, the line between the tax and health worlds will be blurred further as tax returns become an integral part of ACA implementation — and as the busiest part of tax season overlaps with the ACA open enrollment period. Each program must define its role.

The stories presented in this report provide important lessons for forging a path forward.

Background: The Intersection of the Tax and Health Worlds

In 2013, community tax-prep and health leaders began looking at the potential role of tax-preparation programs in facilitating ACA health care enrollment. Because several features of the ACA cut across tax policy, the community tax-preparation infrastructure was potentially well-suited to help with outreach and insurance enrollment.

TAX CODE ADMINISTRATION

The Internal Revenue Service plays a significant role in ACA administration. The enrollment process uses the most recent tax return on file for income and household data. A new premium tax credit subsidizes the cost of insurance purchased through the new marketplaces. For policyholders choosing to use the tax credit to reduce monthly premiums, the IRS makes payments directly to their insurers, and these advances are reconciled at tax time to the total credit the policyholder can claim. Through the tax return, the IRS assesses a penalty, called an individual shared responsibility payment, on taxpayers without coverage, but it can also grant exemptions.

TAX CODE CONCEPTS

The ACA applies concepts from the tax code to determine health coverage eligibility. This is especially relevant to a household's qualification for Medicaid. The law replaces what were widely varying state rules, regardless of whether a state chose to expand its Medicaid program, with a uniform standard tied to the IRS tax definition of adjusted gross income. Similarly, tax filing units — the individual, couple or family filing a return — are the basis for defining the applicant household.

These provisions represent a substantial change for organizations involved with Medicaid outreach and enrollment, and they affect marketplace coverage as well. But both concepts are quite familiar to community tax preparers.

OVERLAPPING CONSTITUENCIES

There is significant overlap between the target populations of community tax-preparation sites and the ACA. Most tax campaigns place a particular focus on serving taxpayers eligible for the earned income tax credit (EITC). In states with expanded Medicaid eligibility, the EITC income ceiling for workers without qualifying children is similar to that for Medicaid. Higher-income EITC households with qualifying children (earning as much as 160-245 percent of the federal poverty level, defined as \$23,850 for a family of four) can obtain



Tax filers lined up March 31, 2014, outside Insure Central Texas' Highland Mall site in Austin.

affordable marketplace coverage using the premium tax credit and cost-sharing subsidies that reduce out-of-pocket costs such as deductibles and co-pays.

INFRASTRUCTURE OPPORTUNITIES

Community tax campaigns represent an impressive assembly of resources, and the ACA offers additional funding streams and an implementation calendar that present opportunities to leverage those resources.

A community tax campaign typically has several components: outreach promoting the EITC and other tax credits and the availability of free assistance; a volunteer management operation that recruits and trains community members to assist taxpayers; a network of sites preparing returns; ancillary services helping site users achieve financial stability; and a public information effort reporting on operations and advocating for customer interests. It has several key assets (temporary and permanent): management structure, media contacts, a cadre of volunteers, physical locations, computers and networking, analytical tools and fundraising capability.

The ACA provides resources for new programming, including navigators to identify potentially eligible individuals and families and assist them with using new online tools to determine their eligibility, enroll and access assistance.

Finally, the timing of the first open enrollment period presented another opportunity for tax campaigns to make a contribution. The first period ran from Oct. 1, 2013, through March 31, 2014, and people seeking coverage starting Jan.

1, 2014, had to enroll no later than Dec. 15, 2013 — before the tax season began in late January. This gave tax campaigns opportunities to mobilize volunteers, space and technology to help out during that initial phase as well as the slower part of tax season (late February through the end of March), which coincided with the final enrollment push.

Complications

Although the expectations and potential avenues for community tax-preparation programs' involvement in ACA implementation were, at least in the abstract, all reasonable, many of the expectations proved unrealistic when the law actually rolled out in 2013 and 2014.

First, there was considerable uncertainty in the months leading up to the open enrollment period regarding the implementation process. In part this simply reflected the breadth and complexity of the ACA as a social policy innovation, but it was also the product of the bitter political discord surrounding the law. Each state was making its own decisions about accepting the expansion of Medicaid and operating a health insurance marketplace. There were also state-specific battles over the roles of navigators and other assistance providers and intermediaries. Federal funding for some components was far below expectations, and the amount of money available varied widely across states.

The law itself was confusing. Programs struggled to master concepts such as essential minimum coverage, premium affordability, household definitions, the premium tax credit, cost-sharing reductions and immigrant eligibility.¹



A health coverage guide offers enrollment assistance at Denver's Emily Griffith Technical College.

¹ To learn more about these concepts, visit the Center on Budget and Policy Priorities' Beyond the Basics website: www.healthreformbeyondthebasics.org.

The IRS silence on the role of VITA in ACA implementation added another layer of confusion for community tax campaigns. Many programs look to the IRS Stakeholder Partnerships, Education and Communication office for guidance on permissible tax site activities, training and promotional materials. The office took the position that the ACA did not in any way affect the preparation of returns in 2014, so VITA participation was unnecessary. Some interpreted this as a de facto prohibition on involvement.

In addition to confusion about the operational infrastructure, programs looking at the ACA in 2013 experienced a series of implementation disruptions. State debates about Medicaid expansion and marketplaces sometimes dragged on. There were delays in navigator funding application guidelines, deadlines and decisions. Expected availability of grants for outreach and enrollment assistance from community foundations, health care providers and insurers often failed to emerge. Federal and state marketing plans were sometimes unclear, late to develop and subject to frequent change. Even as open enrollment approached, programs could learn only the general outlines of the online application process.

For campaigns waiting for clarity, the disastrous October rollout of the federal marketplace website, HealthCare.gov, and some state marketplace portals confirmed the fears of those concerned about confusion surrounding initial implementation and ended most plans for significant near-term program involvement.

On top of all this, ACA implementation intensified the usual tension community tax campaigns contend with: addressing the broader needs of their target populations versus maintaining the core service of tax-return preparation. A quality

tax program requires a constant infusion of funding and people. Expanding outside the usual service calendar and acquiring new competencies was always going to be a challenge. Protracted uncertainty and delayed timelines made taking the necessary risks even more problematic.

Stories From the Field

Although engagement of the community tax-preparation field in the first year of the ACA's expanded health coverage was less than had been hoped for, some programs were able to become meaningfully involved. The stories of these efforts can inform expectations and shape plans going forward.

OVERVIEW

Four Focus Programs

This report highlights the ACA work of the following four communities and organizations:

- *Austin:* Foundation Communities, primarily a developer and manager of affordable housing and supportive services, has for several years operated Community Tax Centers, a large program that prepared 19,641 tax returns in 2014 (\$35 million in total refunds). The agency created a new program — Insure Central Texas — to promote expanded health insurance coverage under the ACA and facilitate enrollment, securing funding from national and local philanthropies.
- *Chicago:* The Center for Economic Progress is a longtime leader in the community tax-preparation field. It has several sites in the Chicago area (which prepared 18,190 returns in 2014, representing \$31 million in refunds), a financial empowerment program and a low-income taxpayer

legal clinic. The center received a grant from the Illinois Department of Insurance to hire counselors to provide enrollment assistance.

- *Denver/Colorado:* The Piton Foundation has a long track record of EITC outreach and tax-return preparation. Piton — a private operating foundation — manages Tax Help Colorado, a partnership with 18 community colleges statewide that prepared more than 10,400 returns in 2014, amounting to \$20.5 million in refunds. Piton set aside resources in 2013 and 2014 for a statewide health coverage information campaign and coordination of enrollment assistors with Denver-area tax sites.
- *Minneapolis/St. Paul:* Prepare + Prosper, formerly AccountAbility Minnesota, operates free tax-preparation sites in the Twin Cities area (and prepared 9,696 federal and 14,513 state returns in 2014 — more than \$23 million in total refunds). The organization also promotes expanded access to financial services and provides technical assistance statewide. Prepare + Prosper received a grant from MNsure, the Minnesota health insurance marketplace, for outreach and infrastructure support.

Distinction From Other Programs

The key distinction enjoyed by these organizations was resources. Each was able to secure funding dedicated to developing ACA implementation programming. This backing took different forms: national and local philanthropy, a state navigator or assistor grant, an allocation of operating foundation funds or a state marketplace grant. The other distinction is that these groups are established providers of tax credit outreach and return preparation

whose involvement on the health side was new. Across the country, a number of multiprogram organizations that provide tax services, such as some community action agencies, were able to secure ACA-related funding, but the tax aspect was not a focal element.

Several other community tax campaigns were able to reflect the ACA in their work during the 2014 tax-filing season without additional resources. A few examples of these organizations and activities are highlighted throughout this report.

Different Environments

The four focal programs operated in unique policy and operational environments, which played a large role in program design and achievement, as described in the next sections. Table 1 (see p. 7) summarizes the contrasts.

AUSTIN: FOUNDATION COMMUNITIES

Foundation Communities had several reasons to develop ACA outreach and enrollment programming. Through its housing and financial services work, the organization saw the importance of health insurance in the costs of families delaying care and the burden of medical debt. No Austin organizations appeared likely to engage significantly with ACA implementation, and there seemed to be an opportunity to build on Foundation Communities' tax-preparation infrastructure. The agency describes itself as not risk averse, in part because its large size provides a stable financial base for pursuing innovation. Ultimately, its leadership made a self-styled gut decision to create Insure Central Texas.

Another significant factor was the availability of leadership. The principal architect of the agency's Community

Tax Centers had been working in Houston to develop a similarly successful program there. She was looking for new opportunities in Austin, and Insure Central Texas proved to be a good match for her skills in program design and development.

Foundation Communities applied for but did not receive a federal navigator grant. In retrospect, the organization considers that a blessing, seeing it as too little money with too many requirements (and political controversy). Coincidentally, Enroll America started working in Austin and approached the agency about using surplus office space. This connection led Community Catalyst, a national nonprofit that advocates for quality affordable health care, to invite Foundation Communities to apply for — and quickly receive — outreach and enrollment funding from the Robert Wood Johnson Foundation. Although local fundraising proceeded slower than had been anticipated, Austin health providers and foundations eventually invested in the program. Foundation Communities raised almost \$900,000 for Insure Central Texas.

Foundation Communities needed to replace a tax site in north Austin and identified Highland Mall, also in the area, as a location for a Community Financial Center modeled on a year-round facility it has operated in south Austin. The site’s visibility and accessibility through multiple bus lines made the mall a good choice to anchor Insure Central Texas. In addition, for only a monthly utility charge, Austin Community College allowed Foundation Communities to use unoccupied space that the college later planned to convert into classrooms and offices. With some cosmetic improvements, Insure Central Texas transformed the two empty storefronts into a service center.

Insure Central Texas was staffed by 121 volunteers who completed the training to serve as certified application counselors. Initially, these counselors were experienced return-preparation volunteers who not only had extensive tax knowledge and proven reliability but also a level of trust that permitted Foundation Communities to feel comfortable sharing the degree of uncertainty involved. As tax season



An Insure Central Texas volunteer helps two clients with health care enrollment.

TABLE 1: POLICY AND OPERATIONAL ENVIRONMENTS OF THE FOUR PROGRAMS

Policy/Operational Features	Austin	Chicago	Colorado	Twin Cities
Expanded Medicaid	No	Yes	Yes	Yes
State-operated marketplace	No	No	Yes	Yes
Medicaid enrollment functionality	N/A	Poor	Fair	Fair
Marketplace enrollment functionality	Poor/Fair	Poor/Fair	Fair/Good	Fair
Formal navigator/assistor role	No	Yes	No	No
ACA-focused personnel on staff	Yes	Yes	No	No
Tax sites with on-site ACA assistance	All	Few	Most	Some



A Tax Help Colorado tax-prep site in a Denver suburb.

neered, most tax preparers returned to that work, and Insure Central Texas recruited new volunteers. The political controversy became an asset: Some volunteers came from local Democratic clubs. Some of those doing taxes returned to ACA work during the slower weeks of tax-return filing when demand increased near the end of open enrollment.

One of the few paid staff members was an experienced media and marketing coordinator. The project gained considerable exposure on television and radio and in print. Every local television station (English and Spanish) provided positive coverage. This began in September and continued through open enrollment, culminating in a steady stream of on-site television interviews and stories reported live from Highland Mall on the final day of enrollment. Almost one-third of the individuals visiting the site said television was how they heard about the program, with another third saying family or friends.

The program operated on a walk-in basis, but during busy periods, intake staff would estimate assistance times using the sign-in page number so people did not have to wait at the site. Foundation Communities decided not to use a unified intake process for health and financial services (including tax) customers because integrating the ACA work into other programming was very challenging. Therefore, although Insure Central Texas was co-located, it was largely a stand-alone operation.

Insure Central Texas opened sites Oct. 1 and quickly filled with customers who could not proceed with enrollment because of the technical problems with HealthCare.gov. Staff and volunteers used the down time to teach people about health insurance and the opportunities

the ACA afforded. This educational component remained central throughout the enrollment period. The agency's expectation that prospective enrollees would want one-on-one assistance proved true, making the process similar to financial coaching. There was a higher demand for bilingual assistants than at tax sites, with more than half the customers speaking Spanish; Insure Central Texas used newly available grant funds to hire two Spanish-speaking certified application counselors.

Other challenges included ascertaining employer insurance coverage, as the federal Employer Coverage Tool was often incorrectly completed by employers; sorting through the 80 available health plans (staff developed spreadsheets with different categories); assisting people with projecting income and dealing with their anger over this unfamiliar and difficult task; and satisfying the customer identity requirements for creating a HealthCare.gov account, which could take multiple visits to resolve. The project quickly ran through its mobile phone budget as assistants waited many minutes on hold with the HealthCare.gov call center, human resource departments, insurers and others.

Insure Central Texas established itself as Austin's go-to group for ACA enrollment. At its five sites (principally Highland Mall, which could do ACA work during even the busiest weeks of tax season), 15,000 people signed in for assistance, representing more than 10,000 unique households. Many of these sign-ins represented multiple visits to complete enrollment. Insure Central Texas directly enrolled 3,900 customers through the marketplace and counted an additional 1,747 as likely to complete the process on their own.

CHICAGO: THE CENTER FOR ECONOMIC PROGRESS

The Center for Economic Progress (CEP) took note of the tax system's role in ACA implementation and realized it would need to develop in-house expertise to serve its tax-prep and legal-clinic customers. The organization also had been building up its financial workshops and coaching program and recognized how health coverage outreach and enrollment assistance could augment that work. As staff started learning about the new law — and wondered whether ACA enrollment would be harder or easier than preparing tax returns — CEP leadership initiated contact with state officials.

Illinois expanded Medicaid and worked to develop its own marketplace but ended up operating as a federal-state partnership, with state responsibility for consumer assistance. The state envisioned a two-pronged campaign of education about new coverage options and enrollment assistance. It developed a new online tool — Application for Benefits Eligibility — for Medicaid and other benefits but had to use HealthCare.gov for marketplace enrollment.

CEP eventually applied for and received a state in-person counselor grant to operate a program serving all four state-designated regions in Chicago. Consistent with the state's expectations, it developed a community engagement program to work with other organizations that had received ACA implementation funding as well as other community partners. The call center of the workforce development agency where CEP had just co-located handled inquiries and helped with scheduling. CEP also hired four navigators who participated in the state-required

training and brought experience in the insurance, retail and human service sectors. The navigators provided one-on-one enrollment assistance, primarily in spaces provided by workforce centers and neighborhood organizations but also CEP's office.

CEP operated the navigator program independently of its tax operations, but there was some overlap. Tax-prep staff were available to explain the tax law concepts embedded in the ACA and analyze client-specific situations. During filing season, navigators were occasionally at two large community college tax-prep sites. They shared the opportunities offered by the new law with those waiting to have their returns prepared and provided individual enrollment assistance (though the time required for the latter would limit the number reached overall). CEP reached out to every tax client from the previous two years as well as financial services clients. Each 2014 tax site had cards clients could submit asking to be contacted about ACA options. The organization received about 3,000 cards and was able to reach out to about one-third of those via email. Roughly one-third of those contacted followed up.

The navigators worked mostly by appointment. Through scheduling software, they could make their own appointments or have the call center or CEP staff fill slots. The no-show rate varied by site, and navigators could sometimes serve walk-in customers.

CEP felt hampered by poor marketing and ineffective partnerships. The program relied on the state's marketing campaign, which was slow in establishing and publicizing its Get Covered Illinois brand. In doing outreach, the navigators did not have a recognizable hook for making

SCREENING TAX FILERS FOR COVERAGE

Questions about insurance and medical coverage have often been part of tax sites' intake surveys. In 2014, some campaigns modified the question (or added it, as at Tax Help Colorado) to screen whether everyone in the tax household had health insurance. At Accounting Aid Society sites in and around Detroit, 20 percent of clients surveyed said they had a health coverage need similar to the share (21 percent) at Rochester (N.Y.) C.A.S.H. sites. In Colorado, the figure was 24 percent.

Other programs used benefit-screening software — either in addition to or in lieu of intake survey questions — to make referrals to ACA enrollment organizations. For example, Community Action Duluth and Rural Dynamics (Montana) used the Bridge to Benefits tool developed by the Children's Defense Fund-Minnesota (mt.bridgetobenefits.org; mn.bridgetobenefits.org).

connections with people. This was exacerbated by the slow start-up of other grantees and instances of interagency reluctance to collaborate, or even of competition. What CEP found most effective were partners who focused less on understanding the complexities of the ACA and more on identifying prospective enrollees in their communities.

Through the Get Covered Illinois website and their own screening methods, the navigators could usually focus on either Medicaid enrollment using the online Application for Benefits Eligibility or marketplace enrollment through HealthCare.gov. In most cases, there was no need to obtain a denial of Medicaid before going to the marketplace. This proved very valuable: Although the state's interface functioned well for taking applications, Illinois developed a backlog in Medicaid enrollment processing (some applications from late 2013 were still pending in mid-2014). The customer mix varied by site, but most were Medicaid applicants until late in the marketplace open enrollment period. The Medicaid processing delays meant that navigators spent considerable hours troubleshooting pending applications. Duplicate (usually enrollee-initiated) applications were a problem for both sites.

The Center for Economic Progress facilitated 1,049 enrollments, with 793 in Medicaid and 256 in the marketplace, exceeding the goal of 1,000 set in its state contract.

DENVER/COLORADO: THE PITON FOUNDATION

The Piton Foundation observed the similarity between the need to inform potential beneficiaries of health coverage opportunities under the ACA and its work over 25 years to increase awareness of the earned income tax credit across

Colorado. It recognized it could leverage its network of dissemination partners and its experience honing marketing messages that successfully resonate with low-income audiences. Piton's Tax Credits for Working Families Public Information Campaign includes broadcast advertising, but the foundation observed that Connect for Health Colorado — the state insurance marketplace — focused heavily on broadcasting. The health coverage outreach campaign therefore concentrated on print materials. Piton also conducted a direct mail campaign targeting a Denver-area county with a large number of uninsured households.

To support ACA implementation, Piton reached out to its EITC outreach network and developed new contacts with libraries, school districts and community-based and rural health clinics. It became clear that there were marketing voids Piton's campaign could fill: the state agencies (Connect for Health and the Colorado Department of Health Care Policy and Financing, which administers Medicaid) only offered information on their own programs, and there were delays in providing materials — and limited quantities when they did arrive. As an operating foundation, Piton had the resources to make items available in high volumes for free, and it could independently provide comprehensive content about health coverage options. Piton distributed 968,740 pieces of educational materials statewide. Thirty-nine Connect-for-Health-funded assistor organizations used them.

Community college instructors manage Piton's Tax Help Colorado return-preparation sites and staff them with their students. The foundation provided very limited training on the ACA (focusing on using health coverage

marketing materials to make referrals) to these volunteers and added a health coverage screening question to the standard intake questionnaire.

Piton also answered the call for tax campaigns to become ACA implementation partners. Foundation staff identified organizations funded by Connect for Health to assist with health coverage enrollment and coordinated the availability of space at tax sites. Twenty of the 27 Tax Help Colorado sites hosted state-funded health coverage guides.

Piton found that tax-prep site managers and enrollment assistance organizations tended to feel overwhelmed, so there was considerable work involved in getting the right people to the right place at the right time. The coverage guides, who could be paid staff or trained volunteers, used the tax-prep sites to provide general information about ACA options and one-on-one enrollment assistance, though they found, as did the Chicago navigators, that doing the latter would limit the number of people reached. They could set up appointments at the site or at another location they served.

Some of the challenges encountered were typical of tax-prep site operations, such as securing Internet access, finding adequate physical space in which to work with sufficient privacy and clients failing to bring required information. Others were particular to the ACA process and Colorado. Connect for Health required a Medicaid eligibility determination for all applicants. This meant that all health coverage guides had to engage with Program Applicability and Eligibility Kit, the state's benefit application portal. This was time-consuming, largely outside of the training Connect for Health provided and subject to processing delays. Added to the multiple steps

in the state exchange's own process, completing coverage enrollment in a single encounter was difficult. At one Denver site, Connect for Health publicized incorrect hours of operation, resulting in considerable confusion and ill will among prospective enrollees and the community college site host.

Enrollment assistance organizations found Piton staff very cooperative and adaptive. The coverage guides were accustomed to being mobile and could adapt well to setting up on their own at tax-prep sites. They were able to take advantage of the trusted reputation of Tax Help Colorado and the diverse populations served. This contrasted with referral sites where guides would not see as many people likely to be eligible for ACA-expanded coverage. The best approach appeared to be providing basic information at the tax-prep site and scheduling follow-up appointments, with guides having realistic expectations of service yields; one organization reached 655 people at Tax Help Colorado sites, 67 (10 percent) of whom signed up for appointments, with 22 percent of those (15 total) actually enrolling.

MINNEAPOLIS/ST. PAUL: PREPARE + PROSPER

Before the Affordable Care Act, low-wage workers without insurance might have been familiar with the modest five-story brick office building on a busy thoroughfare just inside the St. Paul side of the city limits with Minneapolis. They could go to the fourth-floor offices and have their taxes prepared for free at AccountAbility Minnesota (now Prepare + Prosper). On the fifth floor, they could access basic health coverage at Portico Healthnet, a health and human services agency. Although only a floor apart and serving some of the same people, the two



One of Prepare + Prosper's new health advocate volunteers.

ENROLLMENT REFERRALS IN SEATTLE

United Way of King County in Seattle trained intake volunteers in using a flowchart-style eligibility screener to make referrals to a county-funded enrollment organization. In addition to 236 general information referrals, 172 tax site clients were entered directly in the partner's website, and 38 of these individuals were enrolled (or 22 percent — the same rate reported by one of the enrollment organizations in Denver).

organizations weren't connected. Now they are close partners who complement each other's expertise, bridging the tax and health worlds.

Prepare + Prosper had a heightened appreciation of the need for tax campaigns to develop ACA expertise because of its role as a technical assistance provider to other programs across Minnesota. Prepare + Prosper considered applying for navigator funding from MNsure, the state insurance marketplace, but decided that direct health enrollment assistance was outside its strategic vision. But its leadership did express concerns to MNsure that the tax components of its training for navigators was inadequate.

For 20 years, Portico Healthnet has helped uninsured Minnesotans access health care. Portico received contracts from MNsure and the Blue Cross and Blue Shield of Minnesota Foundation for ACA implementation. Although Portico and Prepare + Prosper had at times considered working together, they had never moved beyond the occasional informal referral. Portico realized that the MNsure online-only training provided insufficient information on tax aspects (particularly premium-tax-credit subsidies) and started working with Prepare + Prosper to supplement it.

Prepare + Prosper worked with MNsure outreach staff for several statewide presentations to community action programs and other potential navigators. It was one of the few non-health organizations to secure a MNsure outreach and infrastructure grant. The grant supported outreach to Prepare + Prosper's customer base, development of a worksheet for projecting 2014 income for the marketplace enrollment application and joint sponsorship with Portico of three consumer forums

attended by 140 people. Prepare + Prosper's outreach included information and handouts on tax topics (income and family size definitions, as well as the premium tax credit), and it shared these materials through its ongoing technical assistance to other tax programs. In all, the organization conducted 76 ACA-related outreach events reaching 23,446 individuals.

Minnesota had never successfully developed an online Medicaid portal, so the MNsure website encompasses both marketplace and Medical Assistance (the Medicaid program) applications, as well as MinnesotaCare, the ACA Basic Health Program option that only Minnesota adopted. The site was originally more functional than HealthCare.gov, but the agency lagged in making improvements, such as the ability to track or modify accounts. Phone calls and paper applications continue to be key to the enrollment process.

The ACA implementation process in Minnesota paid particular attention to the distinctions between insurance brokers, navigators and certified application counselors. Tensions and disincentives muddled the single portal environment. County offices were not navigators, and they represented the largest source of referrals to groups such as Portico; Medical Assistance applications requiring more information were referred to the counties. Meanwhile, most brokers involved with MNsure did not want to pursue Medical Assistance cases. Unlike in some other states, use of the certified application counselors was largely limited to hospitals and clinics. The environment was further complicated by MNsure's initial use of a Paul-Bunyan-themed marketing campaign that seemed ill-suited to both its target populations and the navigator infrastructure.

To ease its workload, Portico developed a classroom-style group enrollment model. Prior to tax-filing season, it periodically took over the computer bank at the Prepare + Prosper office for group events. The agency, which did not use volunteers, aimed for a ratio of one staff member for every three clients.

Prepare + Prosper created a new health advocate volunteer position to work at three of its tax-prep sites. The health advocates were cross-trained as tax site specialists, or intake screeners, and encouraged to talk up the opportunities for obtaining affordable health coverage to tax filers. It proved to be challenging for many volunteers; these roles require time to become comfortable with the sales-oriented approach required to be effective. The volunteers encountered the considerable confusion among taxpayers regarding the ACA.

Although Prepare + Prosper decided against offering direct enrollment assistance at its tax-prep sites, it did serve as an outreach partner with the state. It made referrals selectively, as it was uncomfortable with sending tax filers to agencies that had received only MNsure's basic training. It had confidence in Portico. Portico also had valuable access to Prepare + Prosper's tax expertise, facilitated by their proximity.

Lessons Learned

The experience of community tax-preparation programs during the first year of Affordable Care Act outreach and enrollment challenges the original expectations of how those programs could become involved and offers several important lessons about this intersection of the tax and health worlds.

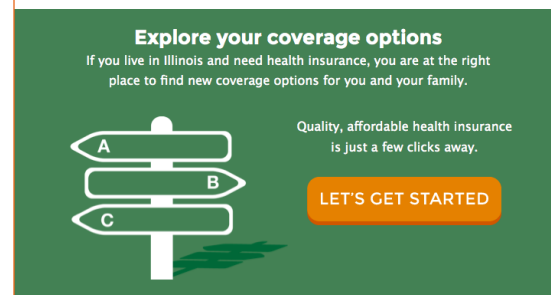
ENVIRONMENT MATTERS

Emphasizing the importance of specific context is a counterweight to the monolithic image conjured by the term "Affordable Care Act." That single descriptor obscures how implementation is many different things in different places. Some aspects — such as state policy choices to expand Medicaid or maintain an insurance marketplace — are obvious, but subtler aspects are crucial, too: the political self-identity of a city within its state, as in the case of Austin; the rapid infusion of new grant dollars into Chicago's nonprofit sector; the friction between Connect for Health Colorado and the Colorado Medicaid agency; the prior lack of online Medicaid benefit processing in Minnesota. These environmental factors create challenges and opportunities.

By analyzing the local environment carefully, community tax-preparation programs searching for a productive role in ACA implementation can identify the opportunities their context provides. The experiences described in this report offer numerous examples of a range of possible activities. Reaching out to those active in the health world (such as service providers, access promoters and philanthropies focused on health issues) is an essential first step.

NOVEL PROGRAMS GENERATE DIVERGENT CONCERNS

A particular aspect of environmental context arises from the breadth and novelty of the ACA as a policy intervention. With so many things in play, a predictable result is a divergence in operational practice as programs sort out what is important, useful and effective. For example, Insure Central Texas was particularly concerned with



Explore your coverage options
If you live in Illinois and need health insurance, you are at the right place to find new coverage options for you and your family.

Quality, affordable health insurance is just a few clicks away.

LET'S GET STARTED

A page on the Get Covered Illinois website.

SUPER SITE EVENTS JOIN THE ACA ENROLLMENT EFFORT

“Super Site” or “Super Saturday” events have become a common mechanism for community tax campaigns to co-locate tax-return preparation with benefit screening and enrollment. Some programs followed this model to assist with ACA implementation.

United Way of the Bay Area in California organized one-day events in three cities linking tax preparation and health coverage assistance. Volunteers prepared 110 tax returns at these events, and partner health organizations assisted 73 people with coverage information or enrollment assistance. Not surprisingly, the most successful event involved an organization with both VITA experience and ACA implementation funding.

United Way of Northeast Florida had a Super Saturday event in Jacksonville with health care and other organizations serving low-income households, during which almost 100 returns were prepared. This was in addition to having insurance representatives at United Way’s highest-volume tax sites from mid-February to mid-March, with access to about 1,500 taxpayers.

establishing that prospective enrollees were not disqualified from obtaining marketplace insurance because of the coverage their employer offered. CEP’s assistants were advised by the state to accept at face value clients’ representations regarding coverage. This greatly affected the workflow for each program.

The role of volunteers also varied widely. Volunteers made Austin’s involvement possible. Chicago — with at least equal experience in using volunteers to prepare taxes — could not envision a role for volunteers given how Illinois was managing assistance programs. Community organizations in Minnesota did not embrace the certified-application-counselor process and designation as Insure Central Texas did. In Colorado, paid staff and volunteers functioned as health coverage guides.

Here community tax-preparation programs can serve as a useful model for how common standards can develop. The shared experience from multiple seasons of preparing tax returns has led to the development of relatively standardized practices across sites and organizations that still factor in local circumstances. Knowledge gained from the tax context can also contribute meaningfully to the development of useful protocols for some of the especially novel aspects of the ACA (such as projecting household income for the coming year).

IMPORTANCE OF STRONG MARKETING

Although it would seem obvious that a broad, innovative initiative such as the ACA requires effective marketing, recognition of this was not always evident as implementation proceeded. Groups in Colorado, Illinois

and Minnesota frequently cited the lack of strong, early promotion as a significant missed opportunity in their communities. As they built their parts of the enrollment infrastructure, they counted on state leadership to bring customers through the door.

The power of strong marketing may be seen in Austin and in Piton’s work in Colorado. Each built on robust networking as well as knowledge about the target communities. These are typical features of community tax programs, especially those that are part of outreach campaigns to promote the EITC and other tax credits. When reaching out to the health world, local tax-preparation coalitions should highlight their successes and examples of proven effectiveness elsewhere to make the case for playing a role in ACA marketing alliances.

CHALLENGES OF THE ENROLLMENT PROCESS

The first year of implementation was dominated by well-publicized problems with marketplace websites. More fundamental was the realization that the promise of a quick and easy process — an experience like Orbitz or Expedia — was not credible for many prospective enrollees. Consider the many steps in the enrollment process for marketplace coverage:

1. Establishing who is in the household.
2. Assessing whether any household members do not have minimum, affordable coverage.
3. Determining ineligibility for Medicaid.
4. Categorizing immigration status.
5. Verifying identity (through heavy reliance on credit-reporting databases).
6. Creating a secure account.

7. Predicting household income.
8. Deciding the preferred method of receipt of any available subsidy.
9. Comprehending health insurance concepts and terminology.
10. Selecting coverage (including consideration of favored providers).

Although Center for Economic Progress staff assistors found that by the end of open enrollment they could complete a marketplace application in 45 minutes, at least 1.5 hours was more typical. Across all the programs profiled here, many cases required more time spread over multiple visits.

Some aspects of the enrollment process may become more streamlined over time, but community tax programs and others looking at implementation strategies must recognize the time, effort and expertise involved in doing it right.

WHAT DOESN'T WORK FOR TAX-PREP SITES

One vision for ACA implementation through tax sites — having people sign themselves up as they wait to have their taxes prepared — turned out to be naïve. Having trained assistors try to complete enrollment with waiting tax filers or simply setting up information tables proved inefficient and ineffective. Expecting regular tax site personnel — who typically have their hands full and will likely encounter new challenges now as the ACA shows up on tax returns — to manage ACA-related customer flows will usually be unrealistic.

WHAT DOES WORK FOR TAX-PREP SITES

There are numerous ways in which community tax programs can use return-preparation sites to aid ACA

implementation. Outside of tax season (or at least outside the busiest weeks) and depending on program resources, it may be possible to leverage tax site personnel and equipment to supply one or more of the essential elements of enrollment support: customers, assistors, some tax knowledge and computers.

During tax season, all sites should screen for health coverage through the intake survey. If the information can be used effectively with in-house personnel or community partners, programs should consider one of several available tools to conduct more complete screening and identification of prospective enrollees. Tax site waiting areas are usually suitable for one-on-one or group ACA and general health insurance education. This could include making referrals to and scheduling appointments with internal enrollment assistance staff or trusted partners.

DEFINING A ROLE

In planning strategy and implementation, community tax programs should — in addition to understanding well their ACA responsibilities in return preparation — affirmatively embrace one of these approaches to involvement in health coverage enrollment:

- *Minimal:* Play no role outside tax season; provide information and referral during tax season.
- *Passive:* Provide trusted enrollment assistance organizations with appropriate access to sites and customers.
- *Facilitative:* Develop partnerships with enrollment assistors and support households as they navigate the ACA process.



A tax-prep volunteer at a United Way of the Bay Area Super Site event in Oakland, Calif.

- *Active:* Train staff and volunteers to assist households with the ACA process and elements such as income projection and analysis of choices.
- *Formal:* Become part of the funded ACA implementation structure (for example, obtaining a navigator-type grant).

Organizations that augment tax services with financial coaching (especially in year-round programs) should recognize the similarities to ACA enrollment assistance and leverage their capabilities to provide broader support.

LOOKING AHEAD

The second ACA open enrollment window is scheduled for Nov. 15, 2014, through Feb. 15, 2015. This means the most critical enrollment period will coincide with the busiest part of tax season. Tax filers learning about the costs of not complying with the individual coverage mandate will be able to avoid incurring a second penalty only during those initial weeks of filing. Some commercial tax preparers and others advocate running open enrollment at the same time as tax-filing season to serve more people and facilitate payment of initial premiums from tax refunds. Based on the first-year experience, programs should be prepared for calendar changes and other last-minute shifts.

Tax preparers in 2015 will need to be prepared to process return-based mandate exemption applications, penalty calculations and premium-tax-credit reconciliations. These will further blur the line between the tax and health worlds and accentuate the value of strong local partnerships and participation in national networks.

Conclusion

The Affordable Care Act makes significant use of the tax code to reduce the number of uninsured Americans. This presents community tax-prep programs with a unique chance to further help their clients, who are among those most likely to benefit from the new law. Indeed, community tax-preparation programs should embrace their potential contribution to ACA implementation. While the experiences of Foundation Communities, the Center for Economic Progress, the Piton Foundation, Prepare + Prosper and other community tax programs capture some of the challenges, they also highlight the considerable opportunities these programs have to make a difference in the lives of low-income individuals and families. The future may be uncertain, but the possibilities are great.

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