

The End of the COVID-19 Public Health Emergency: Medicaid Continuity of Coverage Requirement

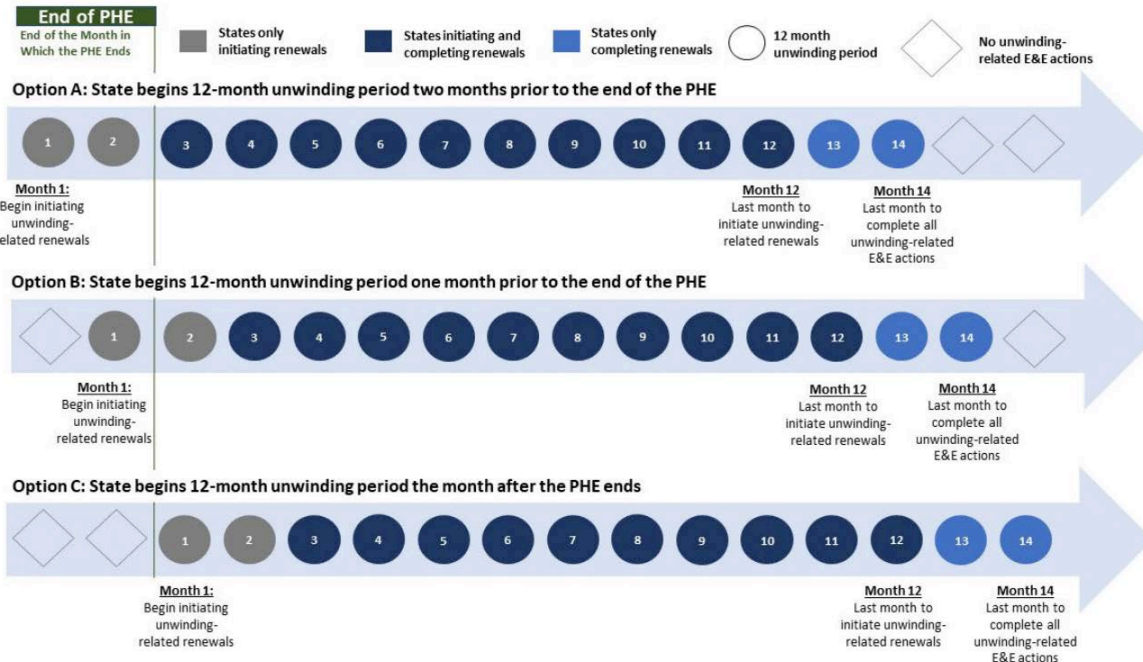
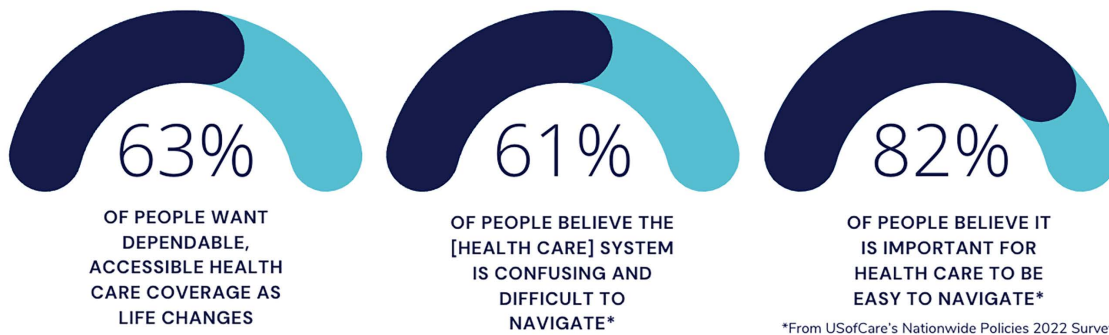
The [Families First and Coronavirus Response Act](#) (signed March 18, 2020) authorizes a 6.2 percentage point increase in the Federal Medical Assistance Percentage (FMAP), the federal share of Medicaid spending, to states that meet certain maintenance of eligibility requirements including [continuous coverage](#) for current enrollees during the public health emergency (PHE). Thus, states may not disenroll Medicaid enrollees that were enrolled as of March 18, 2020 or any time thereafter until the end of the month in which the PHE ends. The enhanced FMAP is available through the quarter in which the PHE ends.

Currently, the Medicaid continuity of coverage requirement prohibits states from disenrolling individuals from Medicaid during the PHE. When the PHE ends, [state Medicaid agencies](#) will have:

- ★ 12 months to initiate all renewals and other outstanding eligibility actions
- ★ 14 months to complete pending actions initiated during the 12-month unwinding period

Impact

- ★ Medicaid enrollment [grew by 27%](#) (an additional 17.4 million enrollees) from February 2020 to May 2022
- ★ Medicaid enrollment is estimated to grow 25% (an additional 22.2 million enrollees) from 2019 to 2022, of which the continuous coverage requirement accounts for [18.7 million of the additional enrollees](#)
- ★ All states have seen [at least 13% growth in Medicaid enrollment](#), while states like Oklahoma, Utah, Nebraska, and Iowa have seen growth over 40%
- ★ Most of the increase in Medicaid enrollment were [adults under age 65 without a disability](#), likely driven by the fact that working age adults are most likely to have faced employment disruptions due to the pandemic



“ The paperwork that goes with [insurance] is hard to keep up with to use your insurance. So, you have to turn in this paperwork, and if you use your payment card, you have to turn in this other paperwork.”

-Focus group participant, South Carolina

Implications at the End of the PHE: Coverage

- ★ 15 million people, including 5.3 million children, are [predicted to lose Medicaid coverage](#) when the PHE ends
- ★ 66% of individuals predicted to be ineligible for Medicaid [live in expansion states](#), while 34% live in non-expansion states
- ★ People moving from Medicaid and Children's Health Insurance Program (CHIP) coverage to the exchanges are [more likely to experience gaps in coverage](#) than other people
- ★ 383,000 individuals ineligible for Medicaid at the end of the PHE [fell into the coverage gap](#) in the remaining 12 non-expansion states and were not enrolled or eligible for any insurance

Federal Initiatives

- ★ The Centers for Medicare & Medicaid Services (CMS) is [working closely](#) with state Medicaid agencies, Marketplaces, navigators, health plans, and others to ensure individuals remain connected to coverage at the end of the PHE
- ★ CMS released a [State Health Official letter](#) providing guidance to states on the redetermination process and strategies for states to minimize beneficiary burden, promote continuity of coverage, and reduce churn
- ★ CMS created a list of [top ten fundamental actions for states](#) to complete to prepare for unwinding
- ★ The Department of Health and Human Services (HHS) is investing \$98.9 million in [grant funding for navigator organizations](#) for the 2023 Open Enrollment Period to help people navigate enrollment through the Marketplace, Medicaid, and CHIP
- ★ CMS [proposed a rule](#) that would streamline Medicaid eligibility and enrollment and improve continuity of coverage

State Initiatives

- ★ Several states have expanded continuous coverage for some of their Medicaid population, including:
 - Massachusetts: The state will provide 12-month continuous Medicaid and CHIP enrollment for eligible enrollees upon release from correctional settings and 24-month continuous Medicaid enrollment for enrollees experiencing homelessness through an [1115 waiver](#)
 - Oregon: The state will provide continuous Medicaid enrollment for children up to age six without the need to renew their coverage and two-year continuous Medicaid enrollment for people ages six and up through an [1115 waiver](#)
- ★ Several states have proposed to provide premium assistance to people not eligible for Medicaid, including:
 - Connecticut: The state submitted a new section 1115 waiver proposal for Covered Connecticut to provide [premium assistance to individuals up to 175% federal poverty level \(FPL\)](#), who purchase a silver-level Qualified Health Plan on the exchange
 - Rhode Island: Legislators proposed to establish a [premium payment program](#) to help individuals and families transition from Medicaid to commercial insurance at the end of the PHE
- ★ Several states have initiatives to help bridge coverage for people leaving Medicaid, including:
 - California: Covered California will [automatically enroll people in a qualified health plan](#) when they lose Medicaid coverage and are eligible for advanced premium tax credits
 - Oregon: The [Oregon Bridge Plan](#) provides basic health and dental coverage for people making 138%- 200% FPL, who are [most at risk of losing coverage at the end of the PHE](#)

Federal Policy Recommendations

IMMEDIATE PRIORITIES

- ★ Gradually phase down the enhanced FMAP to reduce the FMAP cliff at the end of the PHE, and strategically tie an enhanced FMAP with equity goals like continuous coverage, increasing benefits that reduce disparities, etc.

LONGER-TERM SOLUTIONS

- ★ Enact a [federal public health insurance option](#)
- ★ Support waivers that allow for continuous coverage (Sections 1115, 1331, 1332)
- ★ Offer a state plan amendment option for adult 12-month continuous eligibility
- ★ Provide states with funding to update eligibility and enrollment systems

State Policy Recommendations

IMMEDIATE PRIORITIES

- ★ Develop a [plan](#) to prioritize redeterminations, phase disenrollments, collect and monitor data, and pause and fix the process if too many people are losing coverage due to procedural reasons
- ★ Encourage Medicaid agencies to work with Medicaid plans that also offer a Qualified Health Plan to [transition members no longer eligible for Medicaid to the exchange](#)

LONGER-TERM SOLUTIONS

- ★ Expand Medicaid across all 50 states to address the coverage gap
- ★ Pursue waivers that allow for continuous coverage (Sections 1115, 1331, 1332)
- ★ Pass a [state public health insurance option](#)
- ★ Transition to a [state-based health insurance marketplace](#), which allows states to establish more tailored approaches to how and when people can enroll in coverage and streamline eligibility and enrollment processes

Implications at the End of the PHE: Navigating Redetermination

- ★ States will have to undertake the critical task of handling redetermining eligibility for nearly every Medicaid enrollee and have to [make decisions](#) on how to distribute and prioritize redeterminations, how to update enrollee contact information, how to manage workforce capacity, how to partner with providers and community-based organizations to reach enrollees, and how to keep people connected to coverage
- ★ States will have to take thoughtful and intentional [steps to promote enrollment and retention](#), minimize the administrative burden for enrollees, and ensure that the redetermination process will not exacerbate disparities in coverage
 - 9.5% of Medicaid enrollees (or 8.2 million people) will [leave Medicaid due to loss of eligibility](#) and 7.9% (6.8 million people) will lose coverage due to administrative churning despite still being eligible
 - Eligibility loss will [disproportionately impact](#) children, young adults, and Latino and Black individuals, and two-thirds of the children predicted to lose Medicaid will be [children of color](#)
 - Individuals with [limited English proficiency](#) make up a disproportionate share of the Medicaid population, and are more likely to experience barriers when completing Medicaid renewal applications
- ★ States will have the opportunity to [learn from other states](#) and their approaches to redetermination, which may help develop longer-term enrollment improvements. Resources include:
 - USofCare and Softheon's presentation on ["What the public health emergency \(PHE\) unwinding means for people enrolled in Medicaid"](#), which discussed how Oregon, Massachusetts, and Rhode Island are approaching the PHE unwinding
 - Medicaid and CHIP Payment and Access Commission's (MACPAC) [September Public Meeting](#), which discussed how Arizona, Florida, and Pennsylvania are approaching the PHE unwinding

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- ★ CMS created a list of [top ten fundamental actions](#) for states to complete to prepare for unwinding
- ★ HHS is investing \$98.9 million in [grant funding for navigator organizations](#) for the 2023 Open Enrollment Period to help people navigate enrollment through the Marketplace, Medicaid, and CHIP
- ★ CMS [proposed a rule](#) that would streamline Medicaid eligibility and enrollment and improve continuity of coverage

State Initiatives

- ★ States are utilizing [strategies to minimize administrative disenrollment](#) including:
 - Ex-parte renewals (42 states)
 - Follow up with enrollees for missing information when enrollees to avoid a loss of coverage (41 states)
 - Online accounts to submit and access information (48 states)
 - Data matches with the U.S. Postal Service and managed care organizations to update addresses (46 states)
- ★ Thirty-three states give Medicaid enrollees the option to choose to [receive their notices about their coverage electronically](#)
 - Montana: The [state sent text and email messages to enrollees](#) when it received returned mail asking for an updated mailing address and about 25% of enrollees who received a text message responded to update their mailing address
- ★ Some Medicaid agencies and marketplaces in states with SBMs are using [consistent communication and collaboration](#) to facilitate shifts to marketplace coverage
- ★ Several states have implemented [easy enrollment programs](#), including CO, MD, PA, and VA
- ★ States are [prioritizing outstanding eligibility using different approaches](#): population-based approach (11 states), time-based approach (8), hybrid approach (8)

Federal Policy Recommendations

IMMEDIATE PRIORITIES

- ★ The Federal Communications Commission should clarify its regulations related to the [Telephone Consumer Protection Act](#) to allow Medicaid agency contractors, like managed care organizations, to communicate with Medicaid enrollees about the upcoming Medicaid redetermination process
- ★ Increase funding to support improving enrollment processes, including funding for additional navigators and care coordinators to help people renew their Medicaid coverage and enroll in marketplace coverage

LONGER-TERM SOLUTIONS

- ★ Enact a [federal public health insurance option](#)
- ★ Support waivers that allow for continuous coverage (Sections 1115, 1331, 1332)
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State Policy Recommendations

IMMEDIATE PRIORITIES

- ★ Develop a [plan](#) to prioritize redeterminations, phase disenrollments, collect and monitor data, and pause and fix the process if too many people are losing coverage due to procedural reasons (and make the plan publicly available)
- ★ Start [communicating](#) with Medicaid enrollees now about the actions they need to take to retain Medicaid coverage, with a [plan to prioritize populations](#) most likely to face largest barriers in retaining coverage
- ★ Increase funding for navigators and care coordinators to help people renew Medicaid coverage and enroll in marketplace coverage
- ★ Establish outreach plans with key stakeholders and target populations with coverage disparities
- ★ Develop a communications toolkit with standardized messaging for stakeholders

LONGER-TERM SOLUTIONS

- ★ Implement [policies to reduce churn](#) and promote continuous coverage, like continuous and presumptive eligibility, ex-parte renewals, taking into account reasonably predictable changes in income, and easy enrollment

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