

Medicaid/CHIP Continuous Enrollment Unwinding

**NOSORH Listening Session
-- June 28, 2023**

Continuing Medicaid/CHIP Eligibility

- COVID-19 Public Health Emergency (PHE) provisions permitted state Medicaid/CHIP programs to maintain enrollee coverage with **no routine review of income or other eligibility factors**.
- Under these provisions **23.3 million new Medicaid/CHIP eligibles** were added to programs.
- The majority of new enrollees during this time were **adults**.
- As part of this continuation of eligibility **the Federal Medical Assistance Percentage (FMAP) received an enhancement**, reducing the state portion of Medicaid/CHIP costs.
- Because of the enhanced FMAP **total state Medicaid/CHIP program expenses declined** during the PHE, despite increased enrollment.

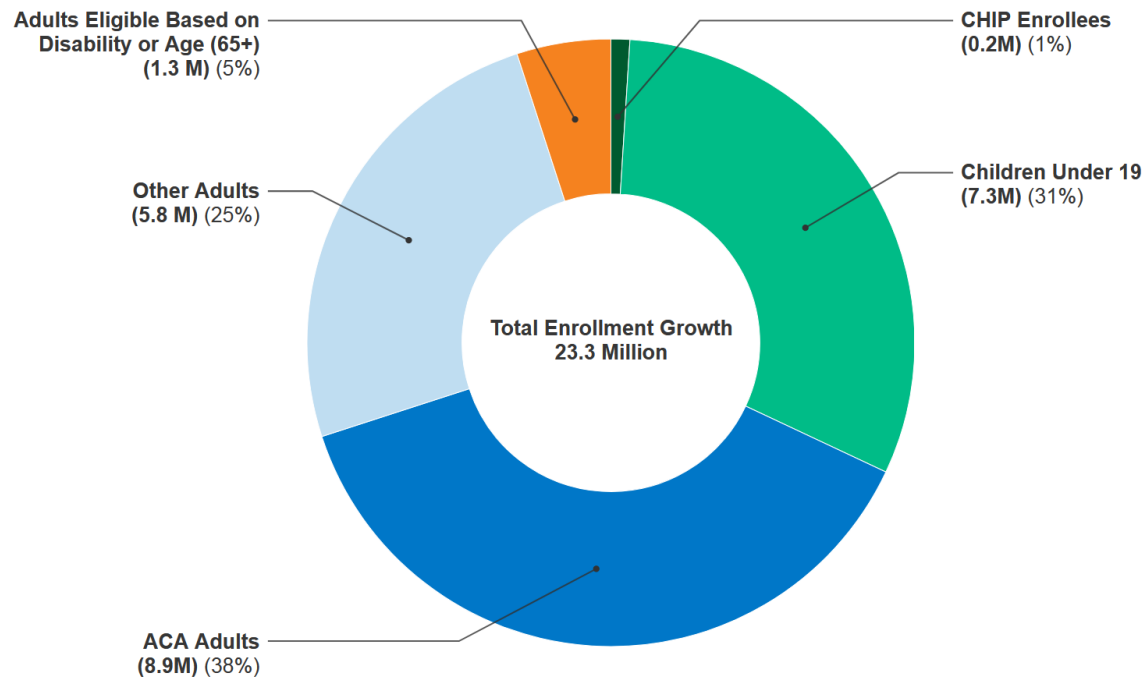
Figure 1

Medicaid Children, Adults Eligible through the ACA, and Other Adults Comprised the Vast Majority of Medicaid Enrollment Growth

Distribution of Total Medicaid Enrollment Growth From February 2020 to March 2023

Distribution of New Enrollment

Percent Change in Enrollment



NOTE: Totals may not sum to 100% due to rounding. CHIP = Children's Health Insurance Program. ACA = Affordable Care Act. Enrollees with partial benefits were excluded. Regardless of how they became eligible, Medicaid children includes all enrollees under age 19 and all other groups include enrollees age 19 and older (except for adults ages 65+).

SOURCE: KFF estimates based on analysis of enrollment data from the Centers for Medicare and Medicaid Services (CMS) Performance Indicator Project (PI data), and the T-MSIS Research Identifiable Files, 2019. See methods of KFF's [Medicaid Enrollment Growth: Estimates by State and Eligibility Group Show Who may be at Risk as Continuous Enrollment Ends](#) for more information. • [Get the data](#) • PNG

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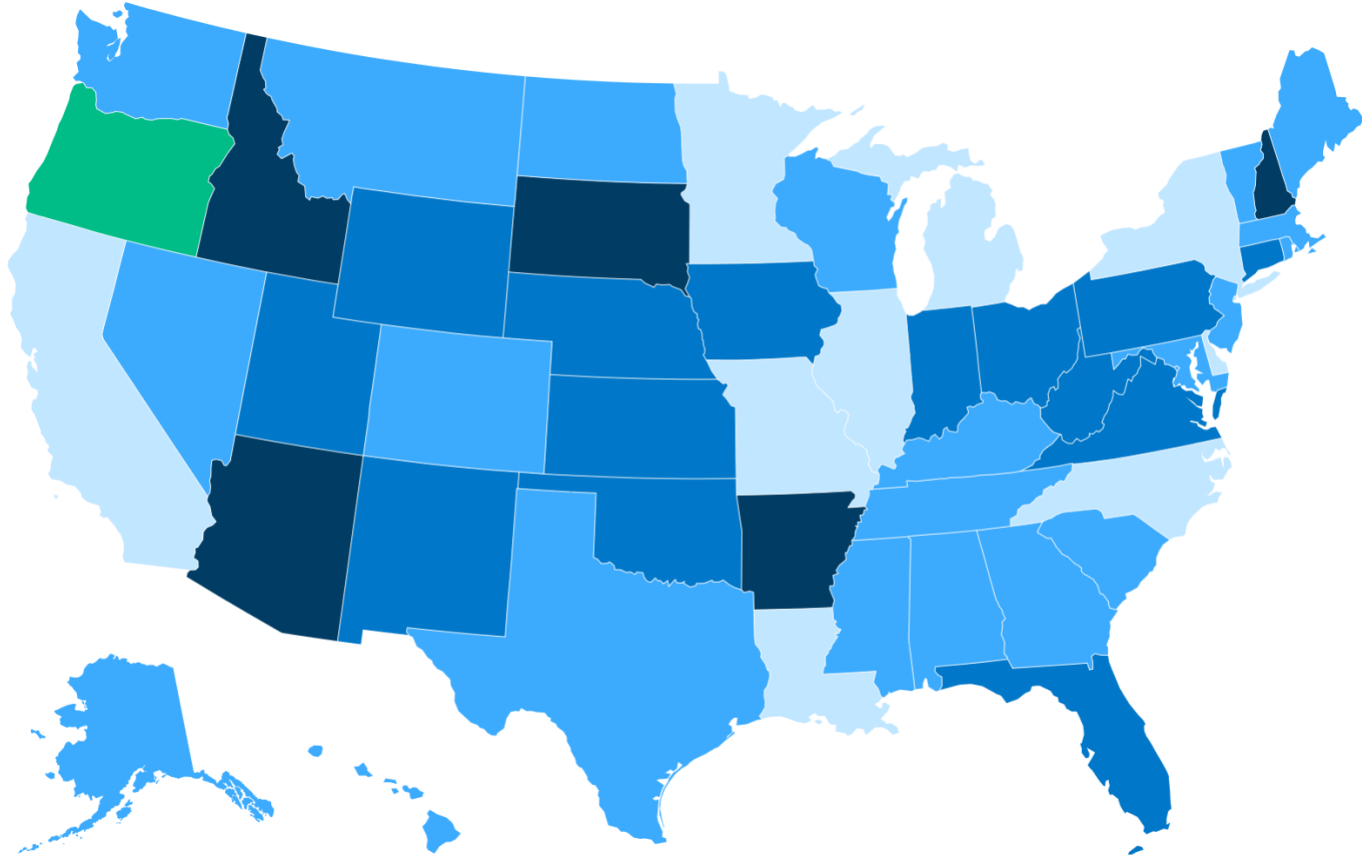
Continuous Enrollment 'Unwinding'

- The Consolidated Appropriations Act **ended the continuing enrollment provisions on March 31, 2023** and permitted states to recommence eligibility reviews.
- States were given some flexibility in the scheduling of eligibility reviews and the potential disenrollments.
- The FMAP supplement is being reduced during the Unwinding period, to be eliminated by January, 2024.
 - Through March 31 - **6.2%** enhancement,
 - Through June 30 – **5%** enhancement,
 - Through September 30 – **2.5%** enhancement, and
 - Through December 31 – **1.5%** enhancement.
- The continuation of the FMAP enhancement is accompanied by some **restrictive requirements for how renewals and disenrollments will be handled.**

Figure 3

Month in Which Medicaid Procedural Disenrollments Are Expected to Begin

■ April (5 States) ■ May (14 States) ■ June (22 States) ■ July (9 States) ■ October (1 State)



SOURCE: "Anticipated 2023 State Timelines for Initiating Unwinding-Related Renewals, as of February 24, 2023," CMS • PNG

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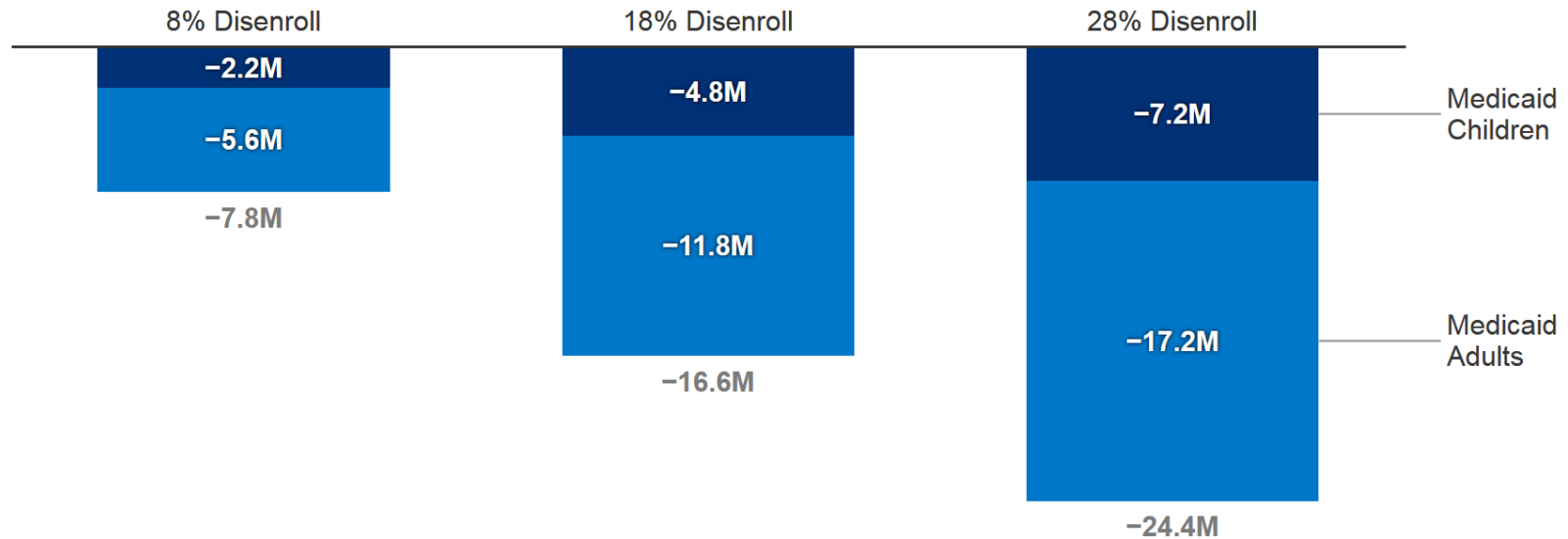
Impact of Medicaid/Chip Disenrollment

- Early projections suggest that there will be **between 8-24 million enrollees losing coverage** after the unwinding, based upon different assumptions.
- The largest percentage of these disenrollments are expected to be **adults**. At this point in time, over **1.5 million people have lost coverage**.
- Thus far, the rates and numbers of disenrollments are **unevenly distributed among the states**, with five states accounting for more than half of all disenrollments.
- The vast majority of all disenrollments are credited to **procedural reasons**.
- A relatively small percentage of the disenrolled are expected to transition immediately to other coverage.
- There may be a resulting **increase of uncompensated care** for rural health providers.

Figure 2

Between 8 and 24 Million Enrollees Could Lose Medicaid When the Continuous Enrollment Provision Unwinds.

Number of People Losing Medicaid Between March 2023 and May 2024 Under Three Scenarios



NOTE: Excludes all Children's Health Insurance Program enrollees and Medicaid enrollees who were only eligible for partial benefits. Children includes all enrollees under age 19. Analysis assumes that 87.5 million people were enrolled in Medicaid in March 2023.

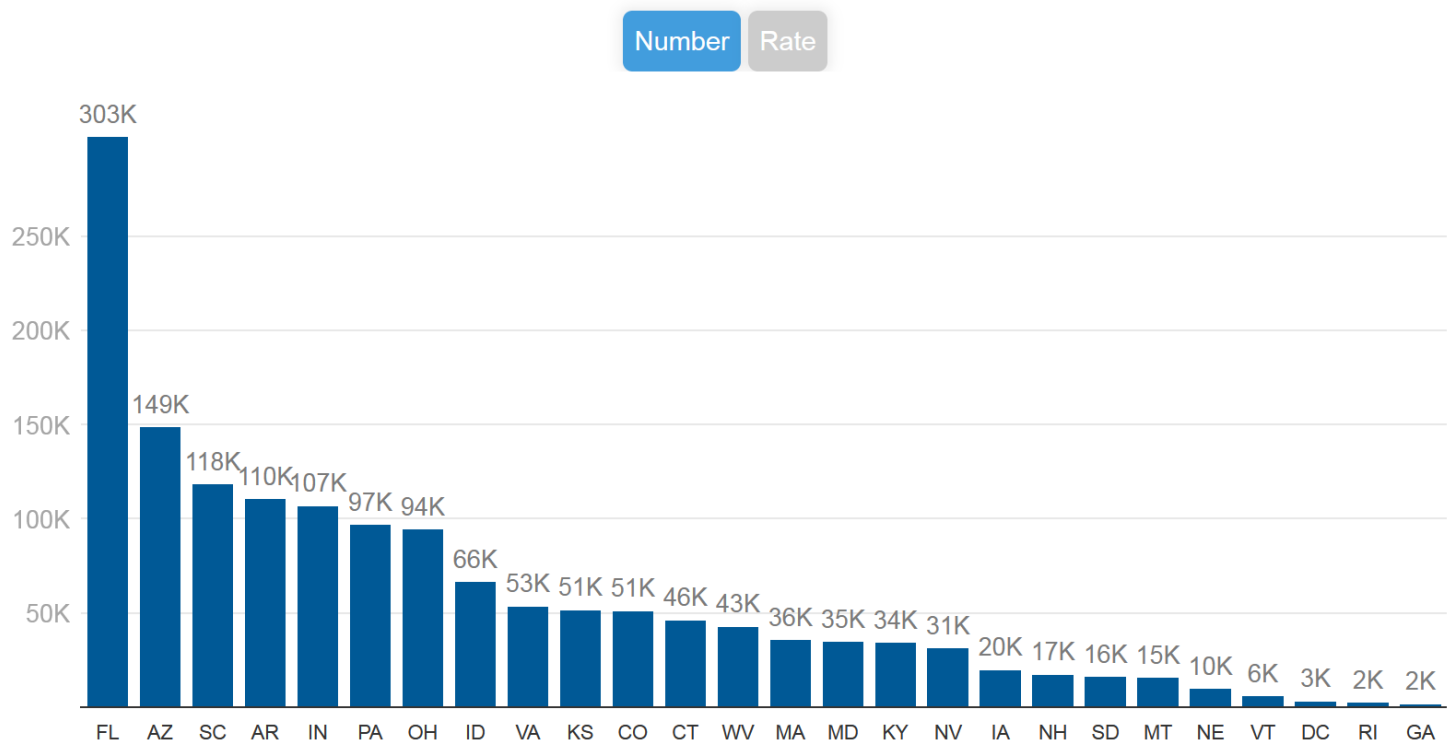
SOURCE: KFF estimates based on analysis of enrollment data from the Centers for Medicare and Medicaid Services (CMS) Performance Indicator Project (PI data), and the T-MSIS Research Identifiable Files, 2019. See methods of KFF's [How Many People Might Lose Medicaid When States Unwind Continuous Enrollment?](#) for more information. • [PNG](#)

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Figure 1

At least 1,514,000 Medicaid enrollees have been disenrolled in 25 states and DC with publicly available unwinding data, as of June 22, 2023

State-Reported Medicaid Disenrollments:



NOTE: *Idaho reports disenrollments for the Medicaid Protected population only.

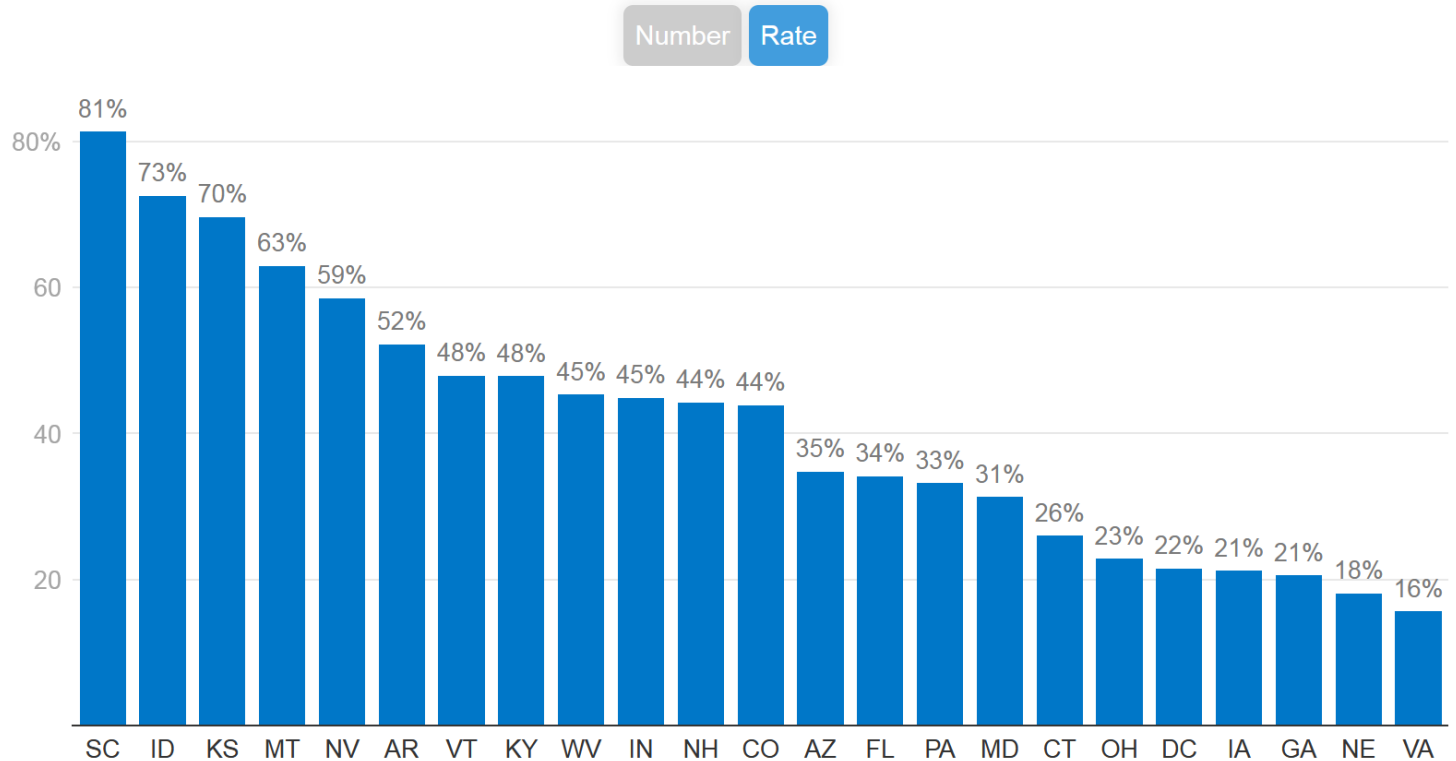
SOURCE: [KFF Analysis of State Unwinding Dashboards and Monthly Reports Submitted to CMS](#) • [Get the data](#) • [PNG](#)



Figure 1

There is wide variation in disenrollment rates across reporting states, ranging from 81% in South Carolina to 16% in Virginia

State-Reported Medicaid Disenrollments as a Share of Total Completed Renewals:



NOTE: Percentages are among completed renewals (pending renewals are excluded). Several states report unwinding data on renewals without enough information to calculate a disenrollment rate. *Idaho reports disenrollments for the Medicaid Protected population only.

SOURCE: [KFF Analysis of State Unwinding Dashboards and Monthly Reports Submitted to CMS](#) • [Get the data](#) • [PNG](#)

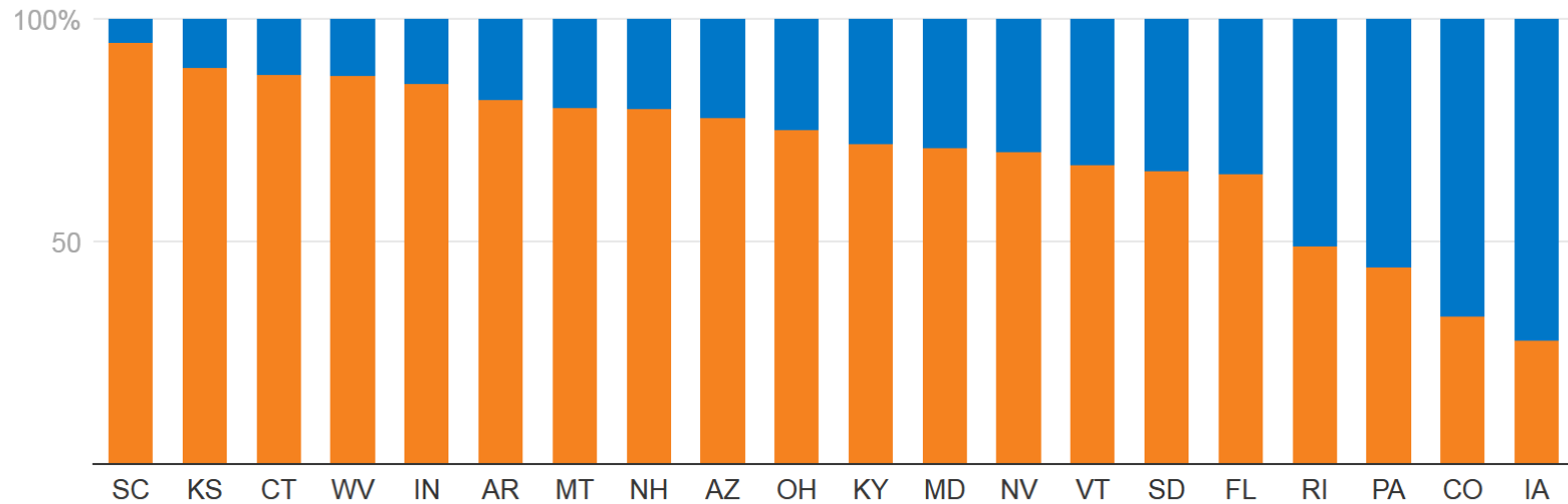
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Figure 2

Overall, 73% of disenrollments are due to procedural reasons, among states reporting as of June 22, 2023

Share of Disenrollments for Procedural Reasons vs. Being Determined Ineligible:

Terminated for procedural reasons Determined ineligible



NOTE: Procedural disenrollments occur when the state cannot verify an individual's ongoing eligibility at renewal. Percentages are calculated from total disenrollments. Several states report unwinding data without information on reason for disenrollment and are not shown in this figure.

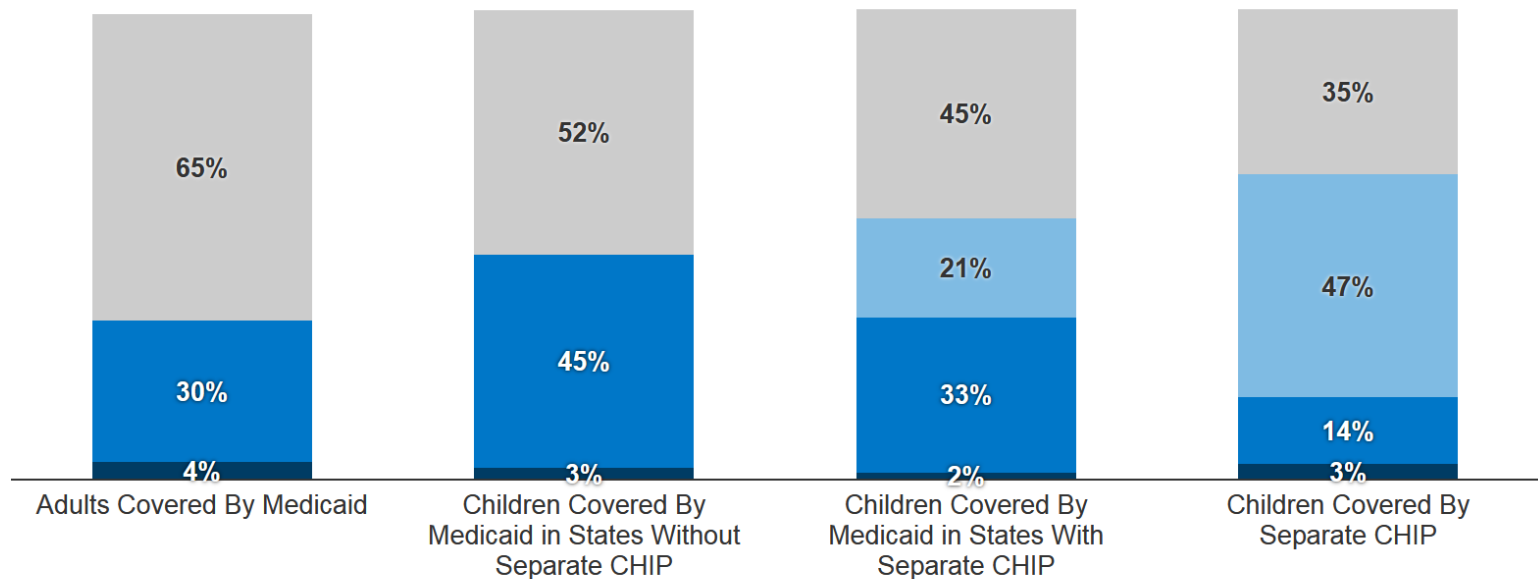
SOURCE: [KFF Analysis of State Unwinding Dashboards and Monthly Reports Submitted to CMS](#) • [Get the data](#) • [PNG](#)

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Figure 11

Coverage Transitions For Enrollees Who Were Previously Disenrolled, 2018

■ Moved to Exchange ■ Returned to the Same Program After a Gap In Coverage (Churn)
■ Moved Between Medicaid and Separate CHIP ■ No Transition to Other Insurance Identified



NOTE: Medicaid children include those enrolled in Medicaid expansion CHIP. Analysis excludes partial benefit enrollees, beneficiaries dually eligible for Medicare and Medicaid, and those eligible in a medically needy eligibility category. Analysis also excludes states with a state-based exchange and those with incomplete or unreliable T-MSIS data.

SOURCE: Mathematica, 2022, analysis of T-MSIS and federal exchange data. • [PNG](#)

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State Options for Improved Renewal Efforts

- Waivers for **Ex Parte renewal** – using other sources of information on eligibility so no enrollee effort is needed. Use of income data from the following programs:
 - **TANF**,
 - **SNAP**, and
 - **Income tax filings**.
- Use of external data sources for **enrollee address verification**:
 - **USPS *Change of Address* and *Corrected Returned Mail*** databases,
 - **Managed Care Plan *updated beneficiary address*** database,
 - **Enrollment broker *updated beneficiary address*** database.
- **Use of third party agencies**, including FQHCs and hospitals to perform eligibility reviews for Medicaid/CHIP renewal or other coverage, including subsidized ACA coverage.