

PARAGON



HEALTH INSTITUTE

**CONGRESSIONAL
HEALTH POLICY
EDUCATION PROGRAM**



Medicaid Redeterminations Setting the Record Straight

June 27, 2023

Agenda

1. Medicaid Redeterminations Overview
2. The Arkansas Experience
3. The Iowa Experience
4. Discussion and Q&A

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COVID Continuous Coverage Requirements

- At the start of the public health emergency (PHE), Congress offered states enhanced Medicaid matching funds for the duration of the PHE so long as states did not make eligibility reductions or remove ineligible enrollees from the program.
- All states accepted the funds and did not remove ineligible enrollees for more than three years.

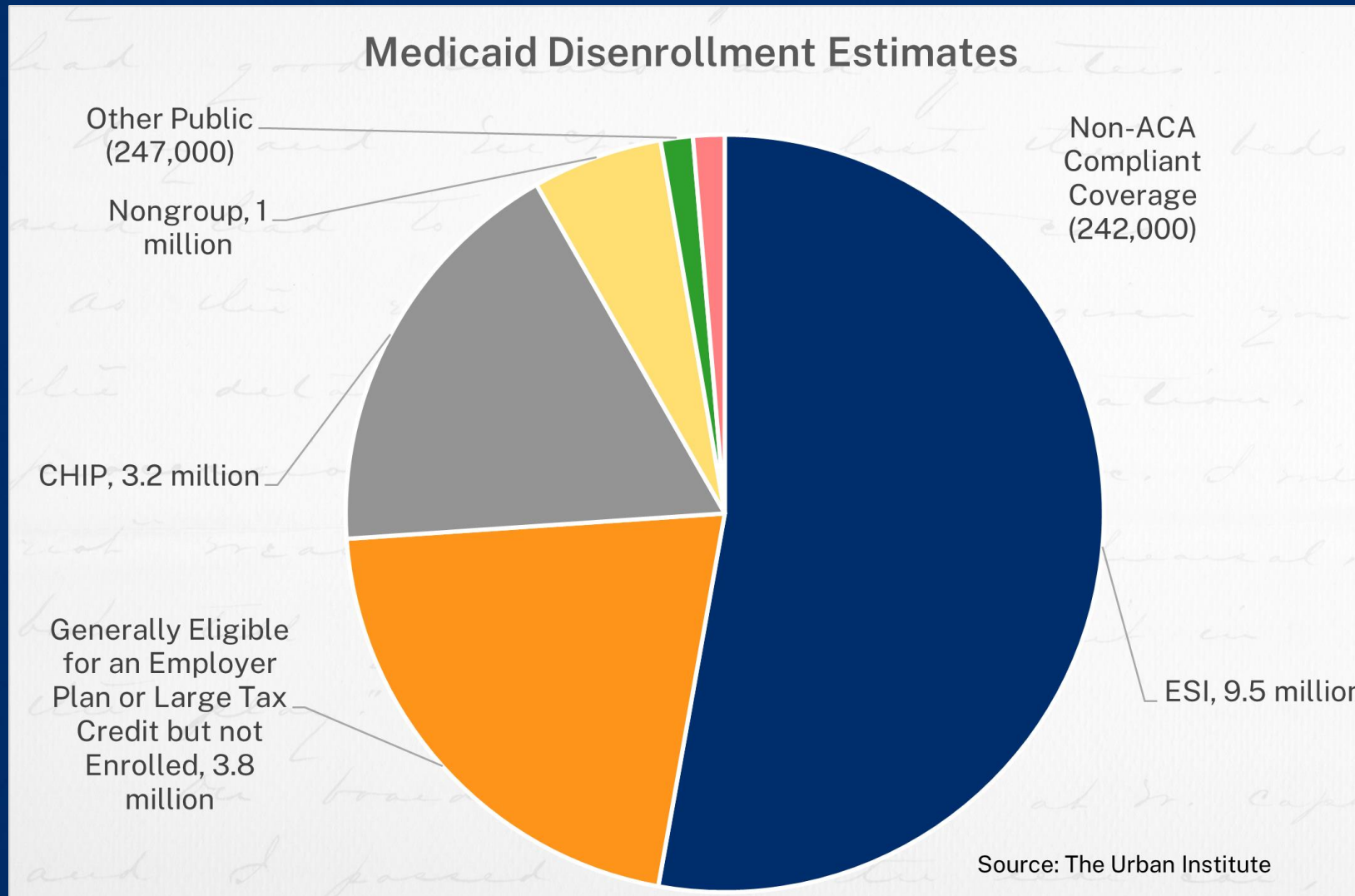
Redeterminations & Decline in Funding

The congressional spending bill passed at the end of 2022 allowed states to resume full eligibility reviews on April 1 without the risk of losing enhanced federal funding.

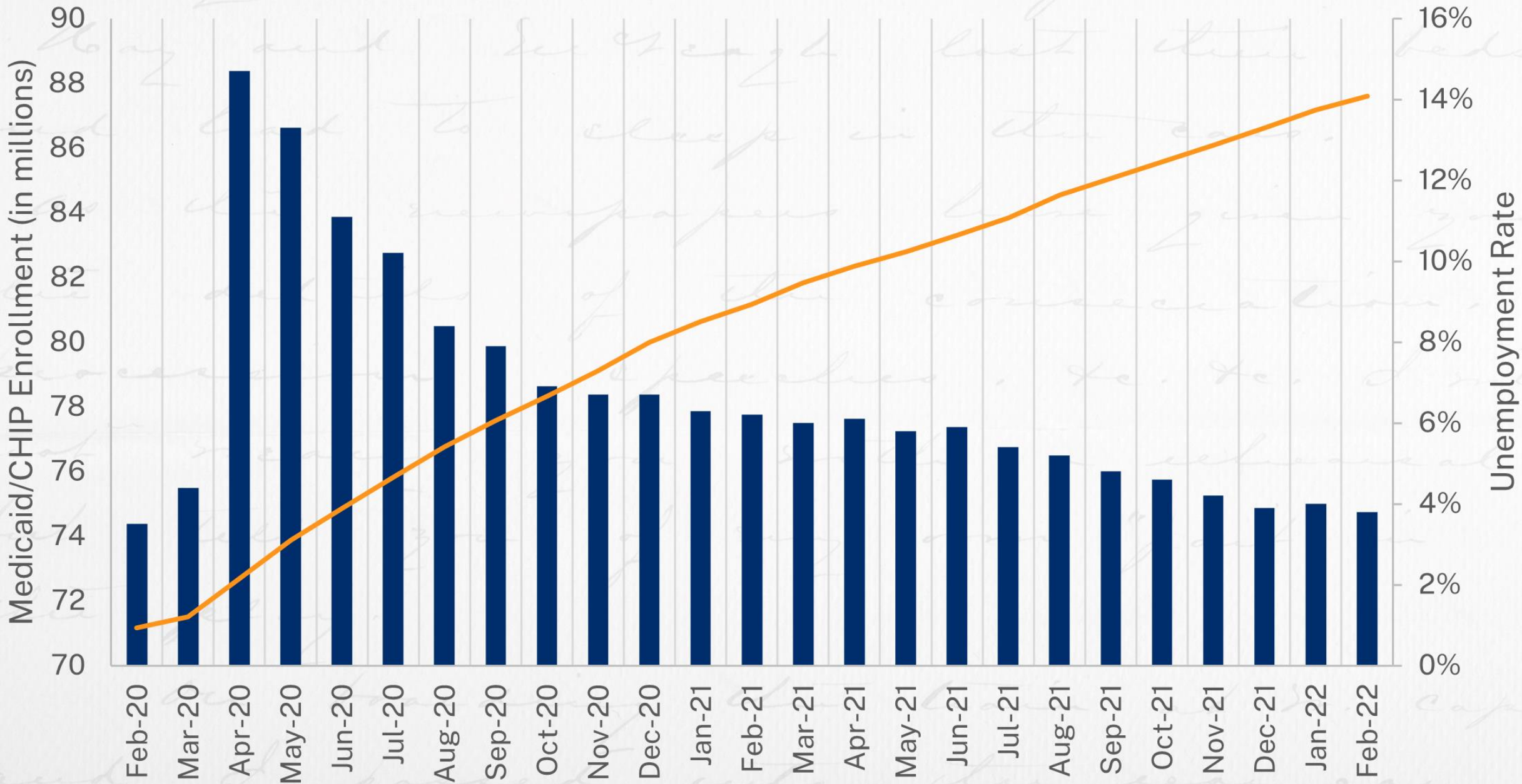
Phasedown Schedule of Pandemic Enhanced FMAP

2023 Calendar	Temporary FMAP Increase Available
Q1. January 1–March 31, 2023	6.2 percentage points
Q2. April 1–June 30, 2023	5.0 percentage points
Q3. July 1–September 30, 2023	2.5 percentage points
Q4. October 1–December 31, 2023	1.5 percentage points

18+ Million Ineligible Medicaid Enrollees



Monthly Unemployment Rate vs. Medicaid Enrollment

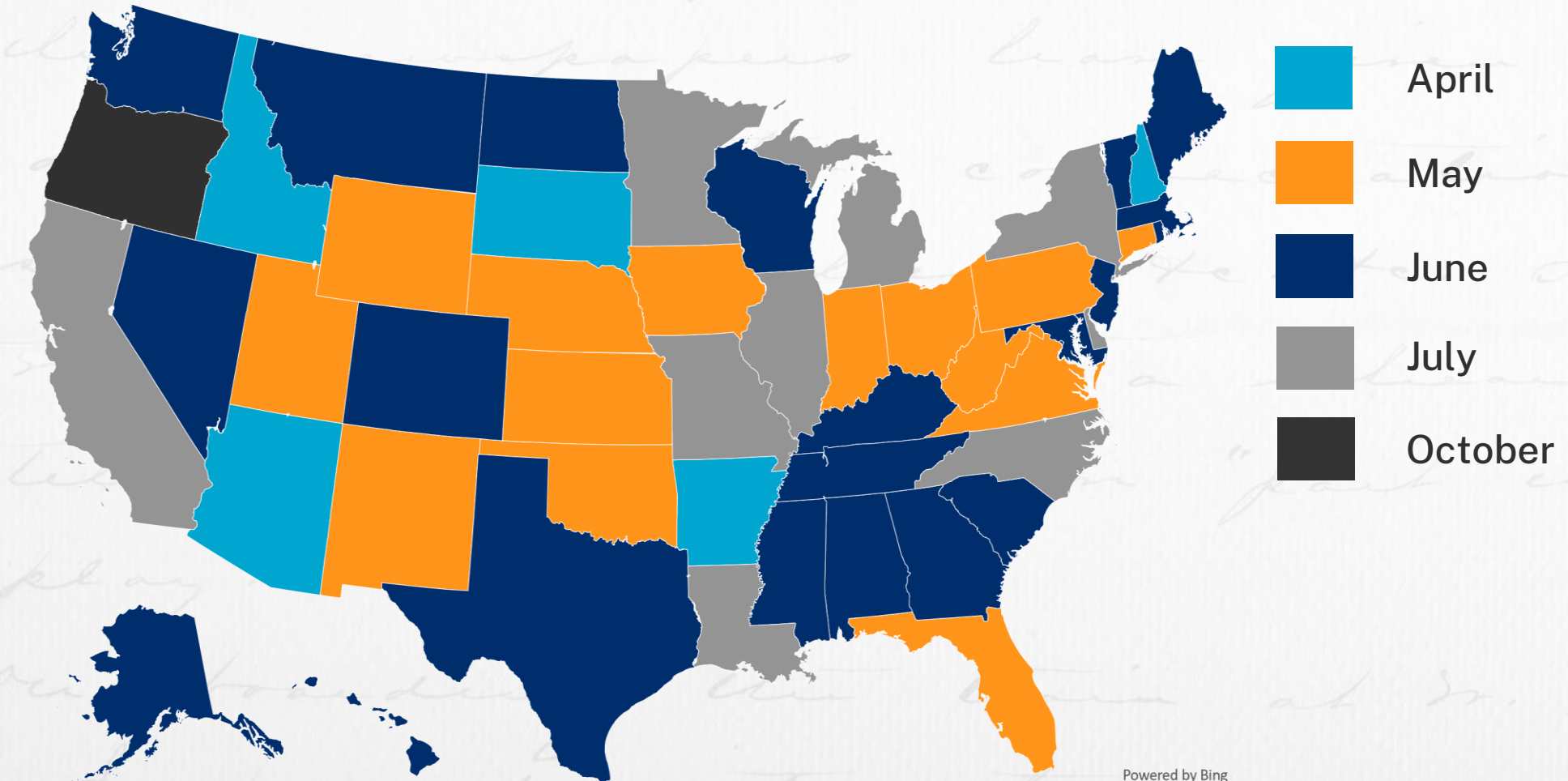


Redeterminations Process Requirements

- States must attempt to **obtain current contact information** for recipients.
- States must make a good-faith effort to contact recipients via different methods if they have their mail returned.
- States must use **ex parte renewal** and pre-populated forms.
- States must test enrollees for eligibility in each enrollment category.

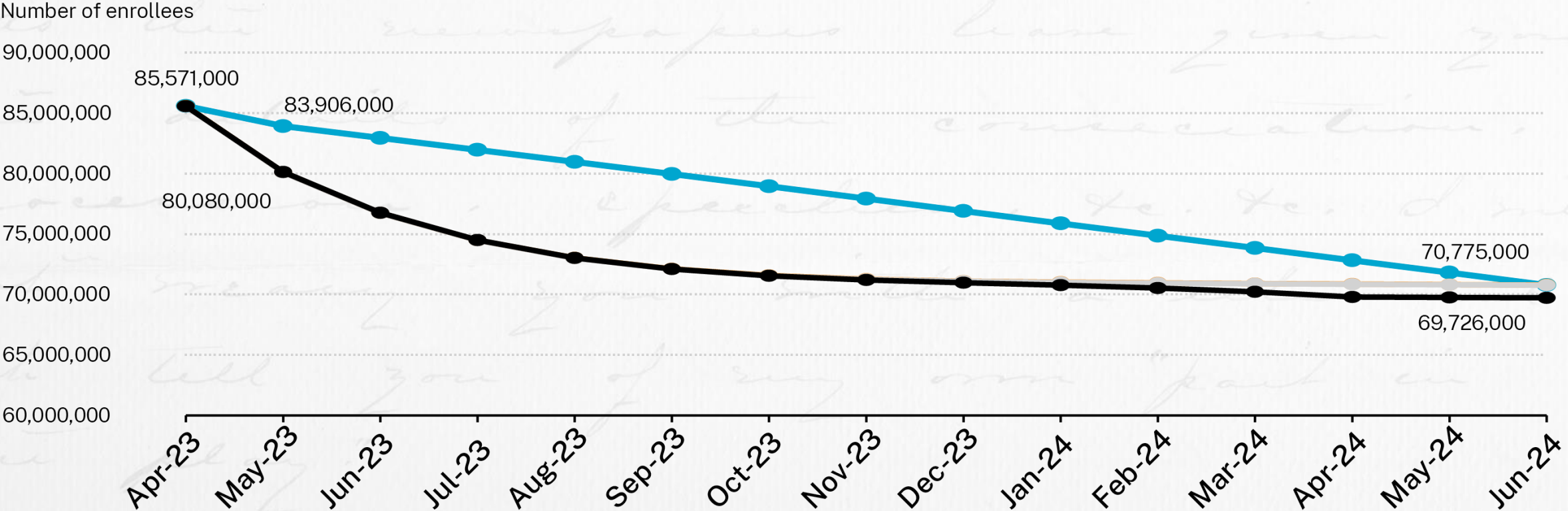
When States Will Begin Determinations

Month that States Started or plan to Start Redeterminations



Changes in Medicaid/CHIP Coverage during the Transition Period after the Public Health Emergency Expires, by Rapidity of Eligibility Processing and Disenrollment and Marketplace Coverage Take-Up

- Most gradual
- Rapid disenrollment
- Rapid and low Marketplace take-up
- Rapid and more inappropriate disenrollment, low Marketplace take-up



Source: Health Insurance Policy Simulation Model. Original figure by Urban Institute.
 Notes: CHIP = Children's Health Insurance Program. The rapid disenrollment line largely overlaps with the rapid disenrollment and low Marketplace take-up line.

Protections for Enrollees Improperly Removed

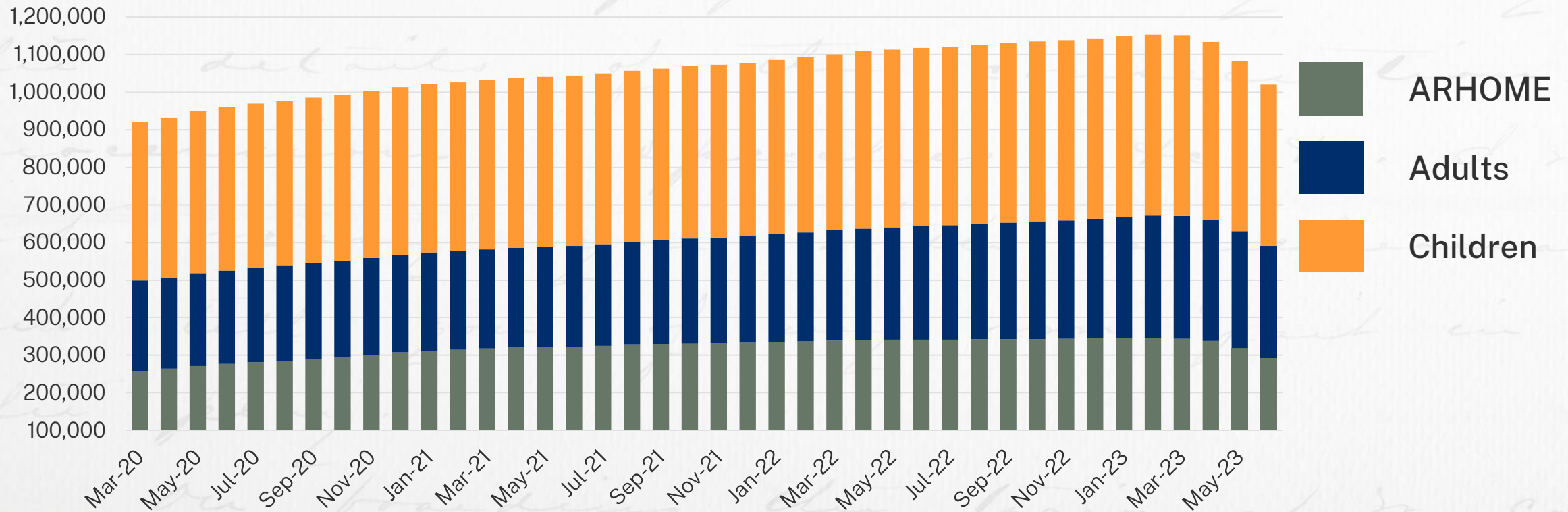
- **Retroactive Eligibility** — People eligible for Medicaid can enroll and have their medical expenses covered for the services they seek and, in most cases, retroactively for three months.
- **Hospital Presumptive Eligibility** — An expedited application process that permits a Medicaid determination based on only a few questions about income and household size and without verification. If individuals meet these basic requirements, they are immediately presumed Medicaid eligible. They receive temporary coverage pending completion of a full eligibility review.
- **Appeal Process** — If recipients are removed, they are entitled to an extensive appeals process. These appeals can be filed up to 90 days after enrollees are notified about the termination of their enrollment. In many cases, filing an appeal can preserve an enrollee's benefits until a decision is reached.

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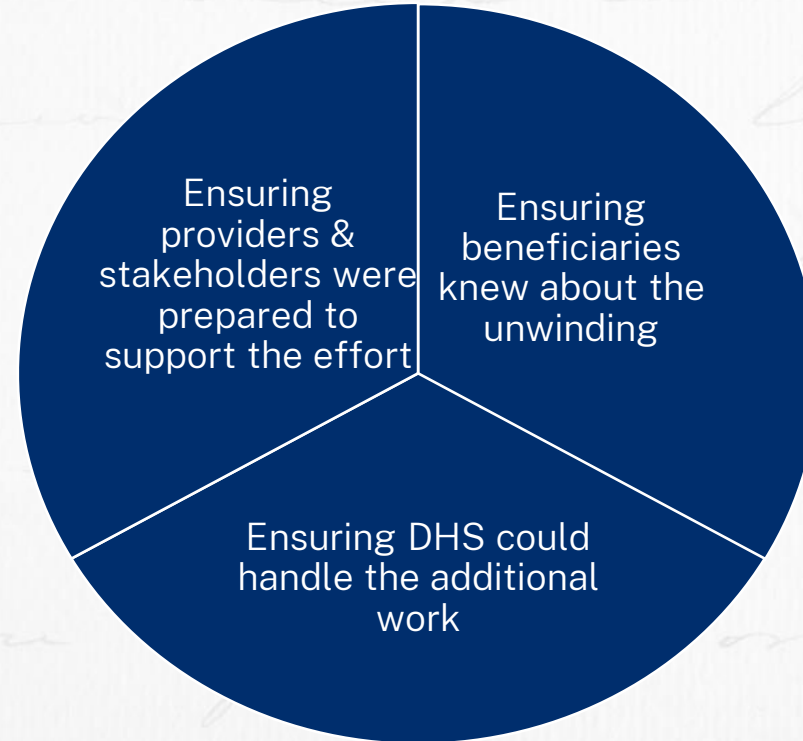
The Impact on Enrollment

- At its peak in March 2023, over 420,000 enrollees remained covered by Medicaid even though they were ineligible or never provided information to determine their eligibility. At that time, enrollment growth in the programs was 25.2%.



Preparation for Unwinding

- ✓ Beneficiary lists
- ✓ Weekly calls
- ✓ Outreach toolkits
- ✓ Outreach grants
- ✓ State agency support



- ✓ Work began in Spring 2022
- ✓ Address updates
- ✓ New federal strategies
- ✓ Paid advertising
- ✓ Digital campaigns
- ✓ Texts, emails, alerts
- ✓ Expanded outreach
- ✓ Enhanced program support

- ✓ Contracted surge support
- ✓ Streamlined processes
- ✓ Cross-divisional work to support eligibility determinations

Outreach Efforts

- Outreach to **ARHOME, ARKids and other non-disabled adults and children** who have not responded
 - Notice mailed **90 days out**
 - Other outreach includes email, text, and electronic alert
 - Reminder notice mailed **45 days out**
 - Closure notice
- Outreach to **beneficiaries in long-term services and support** who have not responded
 - Notice mailed **120 days out**
 - Other outreach includes email, text, and electronic alert
 - Reminder notice mailed **45 days out**
 - Closure notice

Factors Impacting Outcomes

- CMS is concerned that states are seeing a large percentage of “procedural terminations.” In Arkansas, DHS is not surprised by the number of people not responding because many know they no longer are eligible and just aren’t returning the forms.
 - Arkansas is experiencing record-low unemployment and a rate significantly lower than when the pandemic began. In March 2020, the unemployment rate in Arkansas was 4.9%. In April 2023, it was 2.8%.
 - Arkansas **increased the minimum wage twice** during the pandemic, likely resulting in many beneficiaries being over income.
 - Historically, DHS disenrolled 20,000 to 30,000 people each month prior to the pandemic

Eligibility Outcomes So Far

Month	Number due for renewal in the month who retained their coverage	Coverage ended in the month	
April	Regular & Extended 39,848	Extended 44,667	Regular 28,135
May	Extended & Regular 61,236	Extended 43,385	Regular 25,453
Total	101,084	88,052	53,588

Remaining Unwinding Eligibility Work

- DHS will continue to process extended renewals through September and anticipates having those all **completed by the end of the month.**
- The processing of **regular renewals and appeals** will continue as part of the return to normal operations.
- DHS is required to **submit monthly reports** to CMS on our renewal efforts and those will be posted on our website.
- DHS is required to submit a **report to the Arkansas Legislature at the end of the six-month unwind** period outlining the results of the renewal efforts.

If People Lose Coverage

- Beneficiaries who lose coverage during the unwinding have options:
 - If they failed to turn in requested information during a renewal, they can turn that in and get their **coverage reinstated within 30 or 90 days** depending on the category of assistance.
 - If they believe they lost coverage in error, they can **appeal** the determination decision.
 - If they are **over income**, they can apply for coverage at [healthcare.gov](https://www.healthcare.gov) or seek out employer-sponsored coverage.

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Planning for The Unwind

- Months of planning for the end of continuous coverage – but continued doing our redeterminations, so we knew immediately who we would need to contact first.
 - Frontloaded those cases.
- In **March 2023**, Medicaid enrollment was **889,662**.
- We projected **17.4% of enrollees would be disenrolled** based on eligibility in our system.
- **154,801 members to be discontinued** from Medicaid during the unwinding period.

Enrollment Increases During the PHE

- Large increases in enrollments in our coverage lines.

	October 2021	October 2023
Traditional Medicaid	460,869	525,907 up 14%
• Children	264,972	309,568 up 17%
• Adult	71,138	85,387 up 20%
• Pregnant Women	9,162	14,389 up 57%
• Aged	33,384	33,258 down 0.4%
• Disabled	82,001	82,911 up 1.1%
• Medically Needy	26	21 down 19%
• Other	186	373 up 100%
Iowa Health and Wellness	200,288	257,126 up 28%
CHIP Expansion (excluding Hawki)	16,129	16,984 up 5%
Total Medicaid	677,286	800,017 up 18%

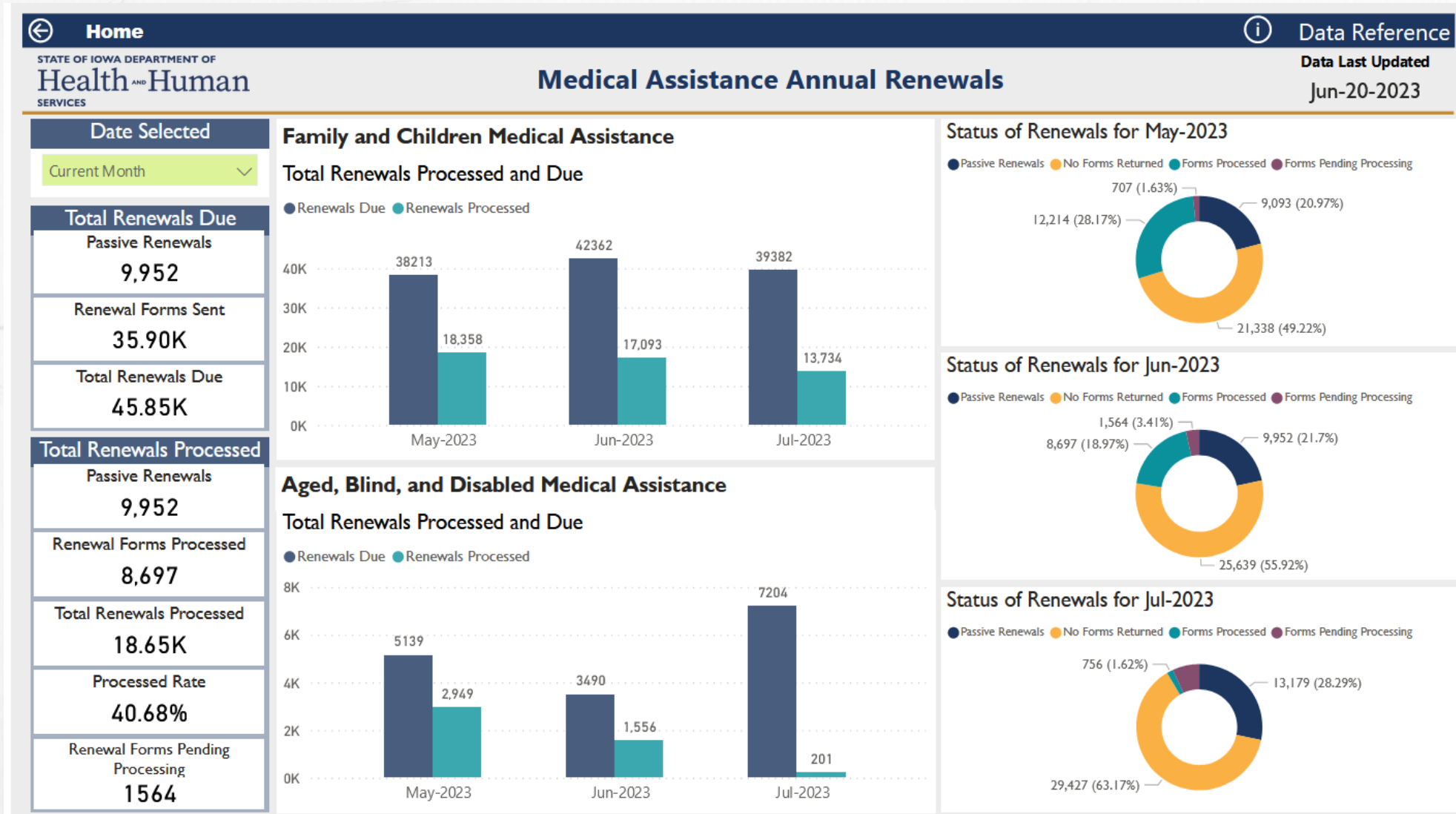
Comprehensive Communication

- National post office list ran against Medicaid contact list
- MCOs reaching out by phone and sometimes in person (door to door)
- Pharmacies to hand out fliers about the renewal forms
- Bi-monthly member town halls.

Tactics

- Visual dashboard
- Recorded webinars
- Town Halls
- Postcards
- Texting campaigns
- A digital member toolkit
- Social media
- Email notifications
- Printable flyers, posted to our website.
- Video about member renewal in English, Spanish and French

Iowa Medicaid & COVID Unwind



Disenrollment Begins

- Discontinuance data shows strictly people that were **discontinued based on the month their renewal was due.**
- Disenrollments include **'churn'** and new applicants.
- Of the 76,914 renewal forms issued for April, **31,920 of those forms were not returned** and those individuals will be discontinued from Medicaid coverage in June of 2023.
- Individuals who do not return their renewal form have **up to 90-days after they are discontinued to return the renewal form** and be re-evaluated for Medicaid coverage without the need to re-apply.

Month	Discontinuances	Pending	Disenrollment, Projected	Disenrollment, Actual
April	45,129	3,026		
May	6,781	39,067	7,299	5,515
June			17,398	
July			16,188	
August			14,943	
September			13,698	
October			11,830	
November			11,456	
December			10,584	
January			9,987	
February			14,044	
March			704	

Other Coverage

- **80%** of those disenrolled in April and May had other major medical insurance.
- **34%** of those enrolled in Medicaid in June of 2023 have another form of coverage.

What We Know

- Unclear guidance on what would be an **acceptable or non-concerning** disenrollment rate.
- **Single adults**, those most likely to have circumstantial shift (employment/income), are the highest disenrolled.
- Individuals have agency and decision making over the services they enroll in and complete paperwork for.
- During the PHE – our estate recovery complaints increased substantially. Many of these members **were not aware they were still enrolled in Medicaid.**

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Redetermination Enforcement

- If a state is out of compliance CMS may issue a **Corrective Action Plan (CAP)** and issue a **civil monetary penalty of up to \$100,000** for each day a state fails to submit or implement that CAP.
- CMS has stated that it is working on “**mitigation plans**” with states “that are violating federal Medicaid renewal requirements.”