Tackling the Medicaid Unwinding Challenge

NCSL Summit
August 15, 2023
Raise your hand if your constituents have contacted you about Medicaid unwinding.
What is the first word that comes to mind when you hear the phrase:

“Medicaid Unwinding”
END OF CONTINUOUS COVERAGE

- Coverage mandate in exchange for enhanced federal funds
- Mandate ended April 1, 2023
- Enhanced federal funds tapered down from April 1 through December 31, 2023
- Financial penalties for states

END OF PUBLIC HEALTH EMERGENCY FLEXIBILITIES

- Multiple federal authorities
- Flexibilities for:
  - Medicaid operations
  - Delivery of long-term services in the home and community
- End dates tied to end of public health emergency on May 11
# Key Takeaways

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<th>There are <em>Two Unwindings</em></th>
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<td><strong>End of continuous coverage</strong></td>
<td><em>Enrollment Data</em> is Key to <em>Costs</em> and <em>Coverage</em></td>
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<td><strong>End of public health emergency</strong></td>
<td><em>Collaboration with Agency</em> is Key to Evaluating What to <em>End</em> or <em>Extend</em></td>
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Enrollment Data and the End of Continuous Coverage
Enrollment Data and the End of Continuous Coverage

Jennifer Tolbert
Director of State Health Reform
Associate Director with the Program on Medicaid and the Uninsured
Kaiser Family Foundation
Unwinding the Medicaid Continuous Enrollment Provision: What Do We Know from the Early Data?

Jennifer Tolbert, Director, KFF
August 2023
Medicaid enrollment has increased since the start of the pandemic, mostly due to the continuous enrollment provision.

NOTE: Data for December 2022 are preliminary and subject to change in subsequent enrollment reports; all other months are based on updated enrollment reports. February 2020 (baseline) enrollment for Medicaid/CHIP was 71,157,729 in the updated enrollment report.

The increase in Medicaid enrollment during the pandemic varied across states.

*Percentage increase in Medicaid/CHIP Enrollment from February 2020 to March 2023*

SOURCE: CMS, Medicaid & CHIP: Monthly Application and Eligibility Reports
What is the Medicaid “Unwinding”?

- During the pandemic, states were prohibited from disenrolling people from Medicaid in exchange for an increase in federal Medicaid matching payments.
- The Consolidated Appropriations Act ended the continuous enrollment provision on March 31, 2023 and phases down enhanced federal matching funds through December 31, 2023.
- States could resume disenrolling people from Medicaid starting April 1st.
- States must meet certain requirements to continue drawing down enhanced federal funding; must also meet new reporting requirements or risk loss of federal matching funds.

SOURCE: See [10 Things to Know About the Unwinding of the Medicaid Continuous Enrollment Provision](#) for more information.
States must meet certain requirements when processing redeterminations during the unwinding period.

2. Conduct Medicaid eligibility redeterminations in accordance with all applicable federal requirements.
3. Attempt to ensure enrollee contact information is up to date before redetermining eligibility.
4. Make a good faith effort to contact an individual using more than one modality when mail is returned.
Many states have taken actions or implemented policies to facilitate the unwinding of continuous enrollment.

Number of states taking each action:

- Took steps to update enrollee mailing addresses: 51
- Processing renewals over 12-14 months: 49
- Adopted strategies to streamline renewals: 44
- Took actions to boost eligibility staff capacity: 37
- Implemented mitigation strategies to address compliance issues: 35

SOURCE: Based on results from a national survey conducted by KFF and the Georgetown University for Children and Families, 2023
Millions will lose Medicaid coverage as states unwind the continuous enrollment provision.

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

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.
States must meet monthly reporting requirements, but federal data releases lag by several months.

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<th>CMS-Specified Monthly Reporting Requirements</th>
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<td>• Total applications completed and pending</td>
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<td>• Total individuals due for a renewal in the reporting month</td>
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<td>• Total Medicaid fair hearings pending</td>
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<th>Monthly Reporting Requirements Mandated by Consolidated Appropriations Act</th>
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<td>• Number of enrollees renewed on a total and ex parte basis</td>
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<tr>
<td>• Number of enrollees disenrolled, including those determined ineligible and disenrolled for procedural reasons</td>
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<tr>
<td>• Number of enrollees enrolled in separate CHIP program</td>
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<td>• Number of individuals transferred to the Marketplace and number who selected a qualified health plan</td>
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<td>• Total call center volume, average wait times, average abandonment rate</td>
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States began the Medicaid unwinding period in different months.

Note: These dates generally reflect the anticipated effective date for terminations for procedural reasons (e.g., not returning a renewal form). In the few states holding procedural terminations due to a CMS-approved mitigation strategy, or some other reason, the date represents terminations for the first cohort of renewals, not including those due to a procedural reason.

Source: "2023 State Timelines for Initiating Unwinding-Related Renewals as of June 29, 2023" CMS
Over 4.5 million Medicaid enrollees have been disenrolled in 45 states with publicly available unwinding data, as of August 14, 2023.

State-Reported Medicaid Disenrollments:
*(Numbers in thousands)*

Note: Based on the most recent state-reported unwinding data available. Time periods may differ by state. *Idaho reports disenrollments for the Medicaid Protected population only.*

Source: KFF Analysis of State Unwinding Dashboards and Monthly Reports Submitted to CMS
There is wide variation in disenrollment rates across reporting states.

State-Reported Medicaid Disenrollment Rates:
(Rates in Percentages)

Note: Based on the most recent state-reported unwinding data available. Time periods may differ by state.
Source: KFF Analysis of State Unwinding Dashboards and Monthly Reports Submitted to CMS
Some states are prioritizing renewals for enrollees flagged as likely ineligible early in the unwinding period.

Source: CMS, 2023 State Timelines for Initiating Unwinding-Related Renewals as of June 29, 2023
Overall, 75% of disenrollments are due to procedural reasons, among states reporting as of August 14, 2023.

Disenrollments for Procedural Reasons vs. Being Determined Ineligible as a Percent of Total Disenrolled:

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
Many people disenrolled from Medicaid will become uninsured, even if they eventually re-enroll in Medicaid or enroll in other coverage.

Health insurance coverage in the year following disenrollment from Medicaid:

65% of People Experienced a Period of Uninsurance After Disenrolling from Medicaid/CHIP

- Re-Enrolled in Medicaid/CHIP After Enrolling In Another Source of Coverage 5%
- Re-Enrolled In Medicaid/CHIP After a Period of Uninsurance 33%
- Another Source of Coverage for Full Year 26%
- Uninsured for Full Year 17%
- Mix of Uninsurance and Another Source of Coverage in Year 16%

NOTE: Seniors ages 65 and older excluded from the analysis. Numbers may not sum to totals due to rounding. "Another Source of Coverage" includes any type of coverage other than Medicaid/CHIP, including private or other public coverage. "Re-Enrolled in Medicaid/CHIP ("Churn") After a Period of Uninsurance" includes people who were uninsured for some or all their Medicaid/CHIP enrollment gap. Most were uninsured for all of their Medicaid/CHIP enrollment gap.

Collaboration in Evaluating Public Health Emergency Flexibilities
What are the top priorities or challenges in Medicaid in your state?

A. Telehealth and technology
B. Social drivers of health
C. Health workforce
D. Costs
E. Coverage
Collaboration in Evaluating Public Health Emergency Flexibilities

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National Association of State
Directors of Developmental Disabilities Services (NASDDDS)
NASDDDS represents the nation's agencies in 50 states and the District of Columbia providing services to children and adults with intellectual and developmental disabilities and their families.

NASDDDS members oversee more than one-third of the nation’s long-term services and supports budget, administering essential services to children and adults with disabilities and their families – enabling good lives in their communities.

With partners, NASDDDS operates the National Core Indicators, the State Employment Leadership Network, and the Supporting Families Community of Practice.

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Home- and Community-Based Services (HCBS) Public Health Emergency (PHE) Flexibilities

• Medicaid Disaster Relief State Plan Amendments
  • State plan changes (eligibility, premiums/cost-sharing, benefits, acute care telehealth, payment rates)

• Medicaid & CHIP 1135 Waivers
  • Waives federal requirements, sometimes state-specific at state request

• Appendix K of 1915(c) Waivers for HCBS
  • Specific to each 1915(c) waiver
  • All flexibilities must be approvable under regular waiver rules
  • Streamlined approval process
  • Temporary changes tied to PHE
Most Common Appendix K Flexibilities

- Telehealth
- Family caregivers
- Expand allowable settings, relax settings requirements
- Relaxing provider qualifications
- Rate increases and retainer payments
- Relaxing service limits/prior authorization requirements
- Program administration changes
  - Level of Care evaluations and re-evaluations
  - Person-centered planning process
Now What?

• States can add Appendix K provisions permanently to waivers through waiver amendments or by inclusion in waiver renewals.
• Previous CMS guidance said Appendix Ks would “expire” 6 months after end of PHE (November 11th).
• Brand new guidance says any provision state has submitted request to continue will remain in effect until effective date of approved request.
Process to End or Extend Flexibilities

- Assess impact of flexibility
- Consult with stakeholders
- Obtain legislative approval
- Public comment
- CMS consideration
Discussion

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Walk Away With a Takeaway!

Capture:
- One thing you learned
- One action step
Resources

- Medicaid Enrollment and Unwinding Tracker, Kaiser Family Foundation
- End of Pandemic Era Flexibilities in Medicaid HCBS, NASDDDS, NAMDD, ADvancing States
- Medicaid Unwinding Webinar, NCSL Webinar
- Leveraging ARPA Funds to Improve Health Care in the Home and Community, NCSL Webinar
- Medicaid Toolkit, NCSL
- Health Costs, Coverage and Delivery State Legislation, NCSL Database
- Research requests, technical assistance, publications, webinars and more!
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Dec. 4-6, 2023
Reach out anytime!

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Thank you!