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Unwinding the Medicaid Continuous Coverage Provision: What States Can Do Now to Keep Eligible People Covered

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To receive the Families First Coronavirus Response Act's 6.2-percentage-point increase in their federal Medicaid matching rates, states can't terminate most enrollees' Medicaid coverage while the federal public health emergency (PHE) is in place. This continuous coverage requirement has kept millions of people covered during the COVID-19 pandemic.

The Biden Administration recently notified states that the PHE will last at least through 2021 and that states will get 60 days advance notice before it ends. When the PHE ends, states will have to resume full renewals and other activities they have changed or suspended during the PHE. By carefully planning how to resume normal operations at the end of the PHE, states can reduce the risk that eligible people will lose coverage and decrease administrative burdens for state staff and enrollees.

The Centers for Medicare & Medicaid Services (CMS) released guidance on December 22, 2020 outlining requirements for the return to normal operations at the end of the PHE. The guidance informs states how to begin planning for the resumption of regular operations. States can take steps to implement the guidance effectively and better streamline processes. Advocates can also play a role in encouraging state agencies to proactively consider and adopt policies that will maintain coverage and minimize burden.

CMS Guidance

The guidance:

- Encourages states to **act now**, while the PHE is in effect, to be better prepared to address their workloads at the end of the PHE. States can make permanent some of the policy and process changes they implemented during the PHE by submitting state plan amendments and updates to their verification plans. States can also streamline applications and renewals to reduce or eliminate burdensome paperwork requirements.
- Requires that states develop a post-COVID-19 **Eligibility and Enrollment Operational Plan**, which includes strategies to prioritize pending actions and plans for changes to their information technology systems.
- Provides **timeframes** within which states have to complete outstanding actions at the end of the PHE: pending applications must be completed within four months, and post-enrollment verifications, changes in circumstance, and renewals must be completed within six months of the end of the PHE.

- Allows states to terminate people’s coverage at the end of the PHE without a new eligibility determination if there was a **determination of ineligibility** (or an enrollee failed to respond to request for information) in the six months before the end of the PHE.
- Encourages states to implement various **eligibility and enrollment strategies** that would streamline their processes at the end of the PHE, ranging from continuous eligibility to adoption for aged, blind, and disabled populations of the renewal requirements used for groups whose eligibility is determined based on income.

What States Can Do During the PHE

Given the extension of the PHE, states have time now to establish policies that will reduce their workloads at the end of the PHE by implementing streamlined processes that will benefit both eligible enrollees and state Medicaid agencies. Advocates should encourage states to:

- **Continue policies that streamlined enrollment during the pandemic.** States should continue policies they implemented during the pandemic, such as relying on client statements for certain eligibility factors, post-enrollment verification, and expanded presumptive eligibility.
- **Update enrollee contact information.** The pandemic has increased housing insecurity, and many enrollees now have different addresses. States should be proactive in attempting to reach enrollees through multiple communications channels (email, text, phone call) to update contact information. States can also coordinate with managed care organizations or other assistance programs (e.g., SNAP) that may have more updated addresses. This will increase the chance enrollees will receive important notices and renewal forms at the end of the PHE.
- **Increase communication through text and email.** Many states have experimented with additional ways of communicating during the pandemic that can be made permanent and expanded. Most Medicaid enrollees have access to a cell phone, and text messages and email are effective ways to reach enrollees to notify them of required actions, particularly those with unreliable mailing addresses.
- **Improve the *ex parte* renewal process.** States renewing Medicaid coverage based on electronic data sources rather than relying on an enrollee to return a paper form is efficient, reduces churn, and helps eligible enrollees retain coverage. States should improve their renewal process now to increase the percentage of cases that they renew *ex parte*, which will reduce the number of overdue renewals at the end of the PHE and help them deal with increased renewal volume at the end of the PHE.
- **Coordinate with SNAP.** Medicaid enrollees who also receive SNAP benefits often have recent, verified information on file that could assist in approving and renewing Medicaid coverage. Medicaid agencies should use SNAP data to expedite application processing, conduct *ex parte* renewals, and reduce paperwork requests to clients.
- **Implement continuous eligibility.** Continuous eligibility allows enrollees to retain coverage for 12 months regardless of small fluctuations in income, promoting stability in coverage and continuity of care. This policy can be implemented for children through a state plan amendment and adults through an 1115 waiver.
- **Review policies for seniors and people with disabilities.** States can apply most streamlining policies to seniors and people with disabilities (the non-MAGI population). For non-MAGI enrollees, states can establish 12-month enrollment periods, conduct *ex parte* renewals, and send pre-populated renewal

forms. States should also consider continuing policies implemented for the non-MAGI population that reduced administrative burden and preserved coverage for vulnerable populations during the pandemic, such as income disregards.

- **Facilitate smooth transitions to other Medicaid categories.** States may transition certain enrollees to other Medicaid coverage groups during the PHE when their circumstances change. For example, states can transition enrollees eligible for adult coverage into that coverage at the end of the 60-day postpartum period to reduce the workload the state will face when the PHE ends.
- **Improve processes for transitioning people into marketplace coverage.** At the end of the PHE, some enrollees will no longer be eligible for Medicaid and will need to be transferred to the marketplace. This process is often confusing for individuals. States should review and improve their notices and other processes now so they can facilitate smooth transitions to the marketplace once the PHE ends. States should also provide information about increased subsidies that are now available to pay for marketplace coverage.

Planning for the End of the PHE

To minimize the loss of coverage for eligible enrollees at the end of the PHE, advocates should encourage their state agencies to:

- **Avoid terminating coverage based on findings during the PHE.** The guidance *allows* – but does not require – states to terminate coverage at the end of the PHE based on a determination of ineligibility or non-response to a request for information within six months prior to the end of the PHE. This option, if adopted, will lead to confusing notices, loss of coverage for enrollees who didn't receive notices, and inaccurate determinations made on outdated information. Instead of terminating coverage, states should take the additional steps necessary to conduct a full renewal as described above.
- **Conduct renewals for all enrollees due for review at the end of the PHE.** At the end of the PHE, states should conduct full renewals for enrollees due for review to evaluate their current eligibility. The renewal process is more likely to ensure that eligible individuals stay covered, in contrast to redeterminations based on data matches where clients have ten days to respond and which often result in a high rate of procedural denials. Renewals require that states attempt to renew eligibility based on electronic data (*ex parte*) and that they send a pre-populated renewal form if needed. Enrollees have 30 days to complete and submit the renewal form, and enrollees who fail to submit their renewal forms and lose coverage have 90 days to re-enroll without needing to submit a new application.
- **Spread out the workload over six months once the PHE ends.** States can stagger case actions over the course of six months after the PHE, which will help maintain manageable workloads and give staff and partners time to help enrollees complete the process. States should take the full six months to maximize their capacity to answer questions and process paperwork. States will receive notice 60 days prior to the end of the PHE, giving them time to implement necessary system and process changes.

- **Develop an effective risk-based approach to scheduling renewals.** States should prioritize renewals for enrollees who are most likely to be found ineligible based on data matches and the type of assistance they receive. For example, children, people with disabilities, and seniors are most likely to remain eligible and should be reviewed last. An effective risk-based approach balances prioritizing cases that may no longer be eligible while ensuring that large numbers of eligible enrollees don't lose coverage for procedural reasons. States should connect those found ineligible to other coverage options.



Returned Mail

When states resume regular operations, many notices will likely be returned as undeliverable. Rather than terminating people's coverage based on returned mail, states should take proactive steps to try to contact the enrollee including by texting, calling, and emailing.

- **Communicate with stakeholders and enrollees.** States should engage with providers, community-based organizations, assisters, and enrollees to let them know what to expect when the PHE ends. Assisters and providers can play a central role in ensuring that enrollees have the information they need to prepare for changes when the PHE ends. Such entities working directly with enrollees should encourage them to proactively update their addresses, and flag notices that states may send as the PHE ends so they are prepared to respond in a timely manner.

KEY TERMS

Continuous eligibility: States have the option to give children approved for Medicaid 12 months of continuous eligibility regardless of income changes during those 12 months. States can provide 12 months of continuous eligibility for adults through a waiver.

Post-enrollment verification: States can enroll an applicant based on information on the application and verify through data sources (or request paper documentation) after enrollment. (States must attempt to verify citizenship/immigration status prior to enrollment.)

Presumptive eligibility: A process that allows hospitals, clinics, and other entities to screen individuals for Medicaid eligibility, and to temporarily enroll those who appear eligible. Individuals can then submit a full Medicaid application for ongoing coverage.

FOR MORE INFORMATION

Department of Health and Human Services, “[Public Health Emergency Message to Governors](#),” January 22, 2021.

Centers for Medicare & Medicaid Services (CMS), “[Planning for the Resumption of Normal State Medicaid, Children’s Health Insurance Program \(CHIP\), and Basic Health Program \(BHP\) Operations Upon Conclusion of the COVID-19 Public Health Emergency](#),” December 22, 2021.

CMS, [Medicaid and Children’s Health Insurance Program COVID-19 Public Health Emergency Eligibility and Enrollment Pending Actions Resolution Planning Tool](#).

Jennifer Wagner, “[Streamlining Medicaid Renewals Through the Ex Parte Process](#),” CBPP, March 4, 2021.

Jessica Schubel and Jennifer Wagner, “[State Medicaid Changes Can Improve Access to Coverage and Care During and After COVID-19 Crisis](#),” CBPP, September 9, 2020.

Jennifer Wagner, “[States Can Act Now to Keep Medicaid Enrollees Covered When the Public Health Emergency Ends](#),” CBPP, December 2, 2020.

CBPP, “[Using SNAP Data for Medicaid Renewals Can Keep Eligible Beneficiaries Enrolled](#),” September 9, 2020.