

# Medicaid Redetermination

ENSURING AMERICANS ARE ENROLLED IN THE RIGHT COVERAGE

**Medicaid is an essential part of American health care. It provides access to, and helps improve the health and financial security of millions of Americans every day including millions of children, Americans ages 65+, people with disabilities, and more than 2 million veterans.**

Beginning in February 2023, states may begin the process to redetermine whether each of the more than 90 million Americans currently enrolled in Medicaid are still eligible for the program. As a result, beginning April 1, 2023, people could start losing coverage. A recent analysis concluded that [18 million people](#) could lose access to Medicaid coverage.

Every American deserves access to affordable health coverage that protects their health and financial stability. Health insurance providers are taking decisive action now to help ensure that every American enrolls in coverage that is right for themselves and their families.

AHIP and its member health insurance providers remain laser focused on ensuring that Americans have access to health insurance coverage during the upcoming and unprecedented Medicaid redetermination process. We stand ready to partner and support states in planning, outreach, and ensuring Americans have access to affordable health care coverage.

**Millions of Americans are likely to lose Medicaid coverage, and they will need help enrolling in a different insurance market such as employer-provided coverage or the individual market.**

- About 3.2 million children are estimated to transition from Medicaid to separate Children's Health Insurance programs.
- About 9.5 million Americans will enroll instead in employer-provided coverage.
- More than 1 million people will enroll in the individual market, most of whom will be [eligible for premium tax credits](#).
- About 3.8 million Americans will become uninsured.

## BACKGROUND

To ensure Americans had access to continuous health care coverage during the COVID-19 pandemic, the federal government provided states with additional federal funding in exchange for keeping individuals covered under Medicaid during the course of the public health emergency (PHE). This continuous enrollment requirement meant states put on hold the process of annually determining a person's Medicaid eligibility.

As a result of the Consolidated Appropriations Act of 2023 passed by Congress, states may resume the process of redetermining individuals' Medicaid eligibility as early as February 2023 and may end Medicaid coverage for individuals who do not demonstrate they are still eligible for the program starting April 1. With the continuous enrollment requirement decoupled from the end of the PHE, states are developing redetermination action plans and timelines which may take no longer than 14 months. Health insurance providers have been working alongside states to be essential partners in ensuring smooth operations and outreach.

# Unprecedented Risk

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States, counties, and Americans receiving health insurance coverage through Medicaid have not gone through the redetermination process in almost 3 years. The volume of Medicaid redeterminations is unprecedented with 1 in 4 Americans potentially affected.

**The stakes are high and access to health insurance coverage for millions of Americans is at risk:**

- Americans still eligible for Medicaid coverage may be deemed ineligible because eligibility redetermination attempts were unsuccessful, resulting in them losing coverage they are eligible for.
- Americans determined to be ineligible for coverage will become uninsured and may not be able to find another source of coverage – putting a greater burden on local hospitals, health systems, employers, and taxpayers.
- Providers who have been treating Americans that have Medicaid coverage may not have a reimbursement source.
- Affordability of other types of coverage may be impacted due to cost-shifting.

**Communication during the upcoming and unprecedented Medicaid redetermination process is essential to ensure Americans have access to affordable health care coverage.**

Tens of millions of Americans who currently receive Medicaid coverage are unaware their coverage could be terminated when states resume the regular Medicaid renewal process. **A startling finding from a June 2022 survey: 62% of people with family Medicaid enrollment were not aware of the return to regular Medicaid renewals.**

To protect Americans from losing access to health insurance coverage, states must be actively and uniformly communicating with Medicaid enrollees, providers, employers, community partners, hospitals, doctors, health plans, and other health care stakeholders. States and their partners should educate Medicaid enrollees about the significance of redeterminations, and why it's important that they provide updated contact information and respond to state requests for information concerning their eligibility for Medicaid. Where necessary, states must facilitate a smooth transition from Medicaid to other types of coverage including marketplace and employer-provided coverage.

## Ensuring a Smooth Transition

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AHIP is committed to ensuring that Americans are enrolled in the health coverage that is right for them – whether they are still eligible for Medicaid, or need support in making a smooth transition to a different coverage.

State leaders must coordinate across a comprehensive set of health care system stakeholders, including Medicaid Managed Care organizations, Qualified Health Plans, hospitals, doctors, Federally Qualified Health Centers, consumer advocacy groups, patient groups, community leaders, and navigators. Collaboration across state agencies, including Departments of Insurance, Medicaid agencies, Governors' offices, states' ombudsman offices, and the exchange marketplace is also imperative.

We must all work together to protect the health and financial stability of American families by ensuring they are enrolled in coverage for which they are eligible.

**AHIP is committed to supporting states in planning, outreach, and ensuring Americans have access to affordable health care coverage.**