

# Two Steps States Can Take to Help Preserve Coverage for Medicaid-Eligible People

**State Medicaid programs play a key role in ensuring Americans have the health care coverage they need and deserve as Medicaid eligibility redeterminations are underway.** States have broad latitude to determine how to handle the unprecedented volume of eligibility checks, including the ability to adopt several flexibilities granted by the Centers for Medicare & Medicaid Services (CMS), and leveraging Medicaid Managed Care Organizations (MCO) to support states and people.

States can consider adopting new CMS flexibilities, including **two key flexibilities** that may have the most significant impact in ensuring Medicaid-eligible Americans are not inappropriately disenrolled (i.e., for procedural or administrative reasons). States can:

- 1. Postpone disenrollments for one month before disenrolling someone for administrative reasons,** giving the state and other appropriate stakeholders (e.g., providers, MCOs, navigators, and others) time to continue outreach to people and support them in completing the necessary paperwork.
  - ☑ **Protects children:** Kids are likely disproportionately impacted by procedural terminations, as they are often eligible for coverage at higher household income levels than their parents or caregivers. Parents or caregivers at higher income levels may not realize their child is still eligible and not send in paperwork.
  - ☑ **Meets people where they are:** Many Medicaid enrollees have never been through a renewal process and still aren't aware they may lose coverage. Others face a variety of procedural barriers in understanding or fulfilling the verification requirements and have a difficult time accessing timely assistance.
  - ☑ **Saves state resources:** States are required to re-instate people for 90 days after their coverage ends (the "reconsideration period"), if they prove they are still eligible. Simply postponing the disenrollment for one month prevents unnecessary gaps in coverage for people who remain eligible and would be able to re-enroll in Medicaid at any time anyway, but with much lower administrative burden to the state and enrollees.
  - ☑ **Easy to implement:** States only need to get a simple waiver from CMS and ensure their eligibility system extends coverage for applicable individuals. The state continues to receive federal matching funds during the 30-day extension
- 2. Extend the reconsideration period past 90 days, giving people who lose coverage for procedural reasons additional time to re-establish eligibility, without having to start the application process from scratch.**
  - ☑ **Protects children:** Kids are likely to be disproportionately impacted by procedural terminations. This will help them get back into the coverage that they are eligible for by reducing the paperwork burdens on parents and caregivers.
  - ☑ **Meets people where they are:** The rates of procedural disenrollments are much higher than predicted across many states. This will help people get back into their eligible coverage.
  - ☑ **Saves state resources:** There's less paperwork for people to fill out and for state employees to process. Although people may apply for and enroll in Medicaid at any time (continuous open enrollment), initial applications are much longer and require several verifications that aren't necessary for renewal.
  - ☑ **Easy to implement:** States only need to inform CMS via email and update eligibility systems to allow re-instatement for the longer time period.

## State Flexibility Strategies (June 2023) - Quick Reference Guide

Sources, and for additional details: "Available State Strategies to Minimize Terminations for Procedural Reasons During the COVID-19 Unwinding Period," [CMS](#), June 2023; "Strategic Approaches to Engaging Managed Care Plans to Maximize Continuity of Coverage as States Resume Normal Eligibility and Enrollment Operations," [CMS](#), January 2023.

#	Flexibility	State Pathway*
1	Renew Medicaid eligibility based on financial findings from the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), or other means-tested programs.	CMS waiver
2	Implement Express Lane Eligibility (ELE) for children.	SPA
3	Renew Medicaid eligibility for individuals with no income and no data returned on an ex parte basis.	CMS waiver
4	Renew Medicaid eligibility for individuals with income at or below 100% FPL and no data returned on an ex parte basis.	CMS waiver
5	Renew Medicaid for individuals for whom information from the Asset Verification System (AVS) is not returned or is not returned within a reasonable timeframe.	CMS waiver
6	Renew Medicaid eligibility for individuals with only Title II or other stable sources of income (e.g., pension income) without checking required data sources.	CMS waiver
7	Renew Medicaid eligibility for individuals with stable sources of income or assets (e.g., many life insurance policies) when no useful data source is available.	Just implement
8	Renew Medicaid eligibility without regard to the asset test for non-MAGI beneficiaries who are subject to an asset test.	CMS waiver
9	Suspend the requirement to apply for other benefits under 42 CFR 435.608.	CMS waiver
10	Suspend the requirement to cooperate with the agency in establishing the identity of a child's parents and in obtaining medical support.	CMS waiver
11	Renew eligibility if able to do so based on available information, and establish a new eligibility period whenever contact is made with hard-to-reach populations.	Just implement
12	Permit managed care plans to provide assistance to enrollees to complete and submit Medicaid renewal forms. <i>Commentary: Impact can be maximized if state establishes an administratively easy process for enrollees to sign the paperwork after receiving telephonic support from the MCO to fill out the paperwork.</i>	CMS waiver
13	Permit the designation of an authorized representative for the purposes of signing an application or renewal form via the telephone without a signed designation from the applicant or beneficiary.	CMS waiver
14	<b>Delay procedural terminations for beneficiaries for one month while the state conducts targeted renewal outreach. (DETAILS ON REVERSE)</b>	<b>CMS waiver</b>
15	Send lists to managed care plans and providers for individuals who are due for renewal and those who have not responded. <i>Commentary: MCO outreach effectiveness can be maximized if:</i> <ul style="list-style-type: none"> <li>MCOs receive significant advance notice of people who are due for renewal (60+ days)</li> <li>State data files indicate who did not pass ex parte review versus who needs to submit information to the state, and whether the data showed they were over-income or the review returned insufficient data</li> <li>States update MCOs when people do complete the renewal paperwork.</li> </ul>	Just implement

#	Flexibility	State Pathway*
16	Inform all beneficiaries of their scheduled renewal date during unwinding.	Just implement
17	Use managed care plans and all available outreach modalities (phone call, email, text) to contact enrollees when renewal forms are mailed and when they should have received them by mail. <i>Commentary:</i> <ul style="list-style-type: none"> <li>States should clearly indicate to MCOs when they are authorized to use auto-dialers and text messages.</li> <li>Strict windows on when communications can be sent may limit outreach effectiveness.</li> </ul>	Just implement
18	Designate the state agency as a qualified entity to make determinations of Presumptive Eligibility (PE) on a MAGI basis for individuals disenrolled from Medicaid or CHIP for a procedural reason in the prior 90 days.	CMS waiver
19	Designate pharmacies, community-based organizations, and/or other providers as qualified entities to make determinations of PE on a MAGI basis for individuals disenrolled from Medicaid or CHIP for a procedural reason in the prior 90 days.	CMS waiver
20	Reinstate eligibility effective on the individual's prior termination date for individuals who were disenrolled based on a procedural reason and are subsequently redetermined eligible for Medicaid during a 90-day Reconsideration Period.	CMS waiver
21	<b>Extend the 90-day reconsideration period for MAGI and/or add or extend a reconsideration period for non-MAGI populations during the unwinding period. (DETAILS ON REVERSE)</b>	<b>Just implement</b>
22	Extend automatic reenrollment into a Medicaid managed care plan to up to 120 days after a loss of Medicaid coverage.	CMS waiver
23	Extend the amount of time managed care plans have to conduct outreach to individuals recently terminated for procedural reasons. <i>Commentary:</i> <ul style="list-style-type: none"> <li>Extending the outreach info to 90+ days post termination allows MCOs to continue to help find people and support them to re-enroll in coverage.</li> </ul>	Just implement

**\*CMS Waiver:** in most cases, refers to 1902(e)(14)(A) waiver that CMS has indicated an interest in fast-tracking approval for to support states.

**State Plan Amendment (SPA):** refers to a routine administrative process for states to update CMS on Medicaid operations and ensure continued eligibility for federal Medicaid funding.

**Just implement:** No CMS or other authority required; may be implemented at state discretion. May need to email CMS only.