



All Hands-On-Deck:

# Keeping People Covered As States Restart Routine Medicaid Renewals

Every American has the right to the peace of mind that comes with access to affordable, quality health care. The Biden-Harris Administration is committed to advancing policies that do just this while also lowering health care costs for individuals and families.

The Biden-Harris Administration has **advanced policies that helped drive down the uninsured rate to its lowest level in history**. This includes making coverage through Marketplaces under the Affordable Care Act more affordable than ever; increasing direct outreach to individuals to help them enroll in coverage; expanding and strengthening Medicaid, the Children's Health Insurance Program (CHIP), and Medicare; and working with trusted partners and the private sector to help Americans get the care they need.

As pandemic-era protections for Medicaid coverage end, states across the country are resuming their regular processes for renewing individuals' Medicaid coverage. **The Biden-Harris Administration is deeply concerned about eligible people losing health care coverage during the Medicaid renewals process and will do everything in our power to keep Americans enrolled in comprehensive health care coverage.**

We will continue to work collaboratively with states, advocates, the health care industry, and other external partners to achieve this goal as well. We'll also continue our outreach and engagement efforts, such as targeted paid media and other earned media campaigns, letters to Governors and other state officials, and the use of [Medicaid.gov/renewals](https://www.Medicaid.gov/renewals).

Most importantly, **we urge all states, which each run their own Medicaid program, to take up all the strategies we have developed and outlined to help keep people covered.**

## Why are Medicaid renewals re-starting across the country?

Prior to the pandemic, states were required to renew coverage for people with Medicaid or CHIP coverage at least once a year and to disenroll individuals who no longer qualified for coverage. **During the COVID-19 pandemic**, Congress acted to ensure Americans did not lose access to critical health care by preventing states from terminating a person's Medicaid coverage, even if they no longer qualified.

Now that the public health emergency has ended, **federal law requires states to restart regular Medicaid renewals**. This means that over the next 12 months, everyone with health care coverage through Medicaid or CHIP will renew their coverage. If an individual is no longer eligible for Medicaid or CHIP, they can transition to another form of health coverage, such as the Affordable Care Act Marketplace or employer-sponsored coverage.

## Why is this work challenging?

**Returning to regular Medicaid renewals in each state after a three-year pause during the pandemic will be challenging for several reasons, with health care coverage for millions of Americans at stake.**

In a normal year, about 17 million people lose Medicaid or CHIP coverage – some because they're no longer eligible, but others because of red tape. That means that during the pandemic, more than 50 million Medicaid terminations did not happen. Now, three years of eligibility renewals are happening, making it even more important to help people who are still eligible for Medicaid and CHIP keep their coverage and help others transition to employer, or ACA Marketplace plans.

Many individuals enrolled in Medicaid may have moved during the pandemic and may not receive their renewal notices at their new addresses. Others may receive their notices but may not know that Medicaid renewals have restarted or may face barriers as they take steps to complete their renewals.

Parents who are no longer eligible for Medicaid coverage may not know that their children may still be eligible and may not return their renewal forms. Others who are no longer eligible for Medicaid may not be aware of other options for comprehensive coverage, including plans available at zero or low dollar premiums on the Affordable Care Act Marketplace. There will also be people who now have access to health insurance through their employers.

State Medicaid eligibility systems and the Medicaid eligibility workforce are also at their limits and have been historically underinvested. High numbers of people experiencing coverage transitions can create backlogs in states' systems and call centers, which will cause delays in processing renewals or new applications for coverage.

## How have we prepared to keep people covered?

**The Biden-Harris Administration has spent the past two years helping states and partners prepare for this moment.**

The Centers for Medicare & Medicaid (CMS) has **worked extensively with state Medicaid agencies** to provide guidance on federal requirements, develop an array of tools and strategies for states to simplify and make Medicaid renewals easier for people, and troubleshoot operational issues. For example:

- CMS **urged states not to rush** the renewal process and to spread Medicaid renewals over a 12-month period, which nearly all states plan to do.
- Nearly half of states (22) have newly **adopted strategies to renew eligibility** based on information from other programs, like the Supplemental Nutrition Assistance Program (SNAP), minimizing the need for families to provide duplicate information to Medicaid agencies to retain their benefits.
- **Over 40 states are using information from Medicaid Managed Care Organizations** or other databases to obtain updated contact information from individuals and help ensure that renewal letters are received.
- Over two-thirds of states have **adopted other strategies** to renew Medicaid for eligible families without requesting additional paperwork.
- Finally, **CMS has negotiated plans** with most states to improve their underlying Medicaid renewal processes.

**CMS has engaged in unprecedented efforts** to help make transitions from Medicaid to Affordable Care Act Marketplace coverage easier in every state. That includes open enrollment style outreach campaigns to individuals who are disenrolled from Medicaid, making it easier to enroll in coverage through HealthCare.gov and state-based Marketplaces, and investing in historic funding for Navigators who do direct outreach and help people enroll in coverage. CMS has also implemented new special enrollment periods in the Marketplaces and Medicare, allowing individuals losing Medicaid or CHIP coverage to access other coverage more easily.

**The U.S. Department of Health and Human Services launched an all-hands-on-deck effort** to work with external partners such as health plans, health care providers, advocates, civil rights, faith-based, health industry, employers, and other community organizations, including by developing communication toolkits and hosting local stakeholder engagement sessions. And the Department has engaged in extensive earned media and paid media to reach people who may be affected.

The Department has also engaged in more than 100 actions to raise awareness through our grantees and other stakeholders that reach Medicaid and CHIP enrollees about the upcoming renewal process. In addition, the Health Resources and Services Administration has partnered with CMS to provide grants to community health centers to conduct outreach and provide support to individuals renewing Medicaid coverage.

In addition to the work described above, states have been preparing for a return to regular renewals in other ways. Over the last year, states have conducted creative social media, marketing, and other outreach campaigns to educate their enrollees about the need to update contact information and to get ready to renew their coverage. They have partnered with managed care plans, providers, and other community organizations to get the word out. States have also made operational improvements, and most have adopted strategies to streamline the renewal process, making it easier for eligible people to keep their coverage.

## What we have seen from early experience

**States have taken different approaches to resume the regular Medicaid renewal process.** For example, some states started Medicaid renewals with individuals they think are unlikely to be eligible, while other states began conducting renewals for their general populations. Some states have also started the renewal process sooner than others.

There are many reasons a Medicaid renewal form may not be returned — for example, if a person is already enrolled in another form of coverage or if they do not know to return the form. According to a recent Kaiser Family Foundation survey, **many Medicaid enrollees (65%) were not aware** the Medicaid renewal process had started.

**High rates of procedural terminations alongside data indicating many Medicaid enrollees are not aware that renewals have restarted is concerning.** Many Medicaid-eligible individuals, including low-income children and families, could lose their coverage due to red tape or confusion and may become uninsured.

Overall, from the April preliminary state data (in which 18 states completed renewals), CMS found that of the **renewals due in April\***:

- **About 45% of renewals resulted in people successfully being able to keep their Medicaid or CHIP coverage so far.**
- **About 31% of renewals resulted in someone losing Medicaid or CHIP coverage.** In 2018, before the pandemic, rates of Medicaid and CHIP coverage terminations ranged by state from 12% to 34%. Of those that lost coverage, **79% were due to procedural reasons like not returning a renewal form.**
- **About 24% of renewals were still being processed by Medicaid and CHIP agencies.**
- While we do not expect to see the full impact of transitions to the individual market for several months, **we have already seen an 11% increase in plan selections in the 14 HealthCare.gov states that have initiated removals by April.**

CMS uses data like this, as well as state operational data and other reliable information, as part of its data monitoring and compliance work to identify and correct potential renewal problems. When an issue is found, CMS works with a state to quickly remediate the issue and to improve its practices. CMS uses all of its enforcement and compliance levers to ensure that states meet federal requirements.

Many individuals leaving Medicaid will be transitioning to Marketplace or employer-sponsored coverage, and we will be closely monitoring to support these coverage transitions.

*Note: these metrics are based on partial data submissions from states for April renewal actions reported as of June 5, and we expect these numbers to change as CMS receives more complete data from states.*

## Where do we go from here to keep people covered

The Biden-Harris Administration is closely monitoring states as this process continues but is committed to doing all that it can to keep people covered.

This is an **all-hands-on-deck effort**. The Biden-Harris Administration is bringing a **whole-of-government response** to this challenge. We are calling on states, members of Congress, the health care industry, community organizations, advocacy coalitions, and other public and private partners to step up and meet this moment – all parties must **do everything in their power to help people stay covered**. To help people retain health care coverage, this Administration is pursuing **four major areas of action**.

First, CMS is continuing to work with states to ensure **compliance with all federal Medicaid rules and that Medicaid enrollees retain the coverage they are entitled to**. CMS has a **comprehensive monitoring approach** in place to troubleshoot issues with our state partners and ensure federal rules are followed. If we find areas where federal rules are not followed, we will act swiftly using all levers at our disposal, **including requiring states to pause procedural terminations as outlined by Congress**.

Second, we are **asking all states to take up all the relevant strategies CMS has put on the table that simplify the Medicaid renewal process and make it easier for eligible individuals to renew their coverage**:

- **Not rushing Medicaid renewals.** Spread out renewals as evenly as possible by taking the full 12 months to initiate the renewal process.
- **Adopting all of the enrollment strategies and waivers CMS has outlined (which, as of this moment, not all states have done)**, including more ways to auto-renew individuals and streamline the renewal process.
- **Aggressively partnering with managed care health insurance plans, hospitals, doctors, nurses, pharmacies, community organizations, employers, schools, and other partners** to get out the word to Medicaid enrollees. For example, **Massachusetts** is providing grants to community-based organizations to door-knock in certain communities with the greatest risk of losing coverage to help get the word out about Medicaid renewals. **Maryland** has launched a media campaign in partnership with the state's Marketplace and managed care plans. **Texas** has co-hosted Medicaid renewal events with food banks.

Third, CMS has released **new strategies and federal waivers that help states reduce procedural terminations and re-enroll eligible people** that have lost coverage. **We urge all states to take these up**.

Fourth, **we are asking our external partners in the public and private sectors to collaborate with state partners to get the word out and support Medicaid enrollees** in renewing their coverage or transitioning to other forms of health insurance. See the **What You Can Do** to spread the word.