

Overview of Key Medicaid Issues

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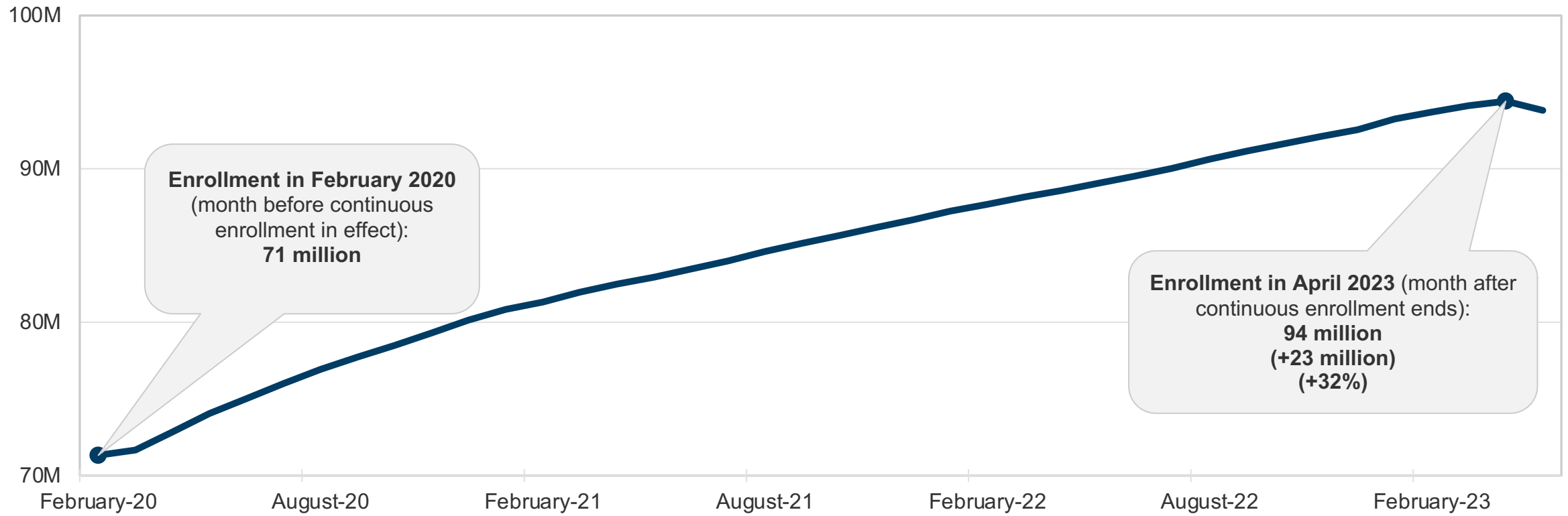
Key Medicaid issues fall into three main categories.

- Medicaid eligibility, coverage, and financing issues
- SDOH / HRSN, disparities and access to care
- Long-term services and supports

Figure 2

Medicaid enrollment increased during the pandemic, mostly due to the continuous enrollment provision

Total Medicaid/CHIP Enrollment, February 2020 to May 2023



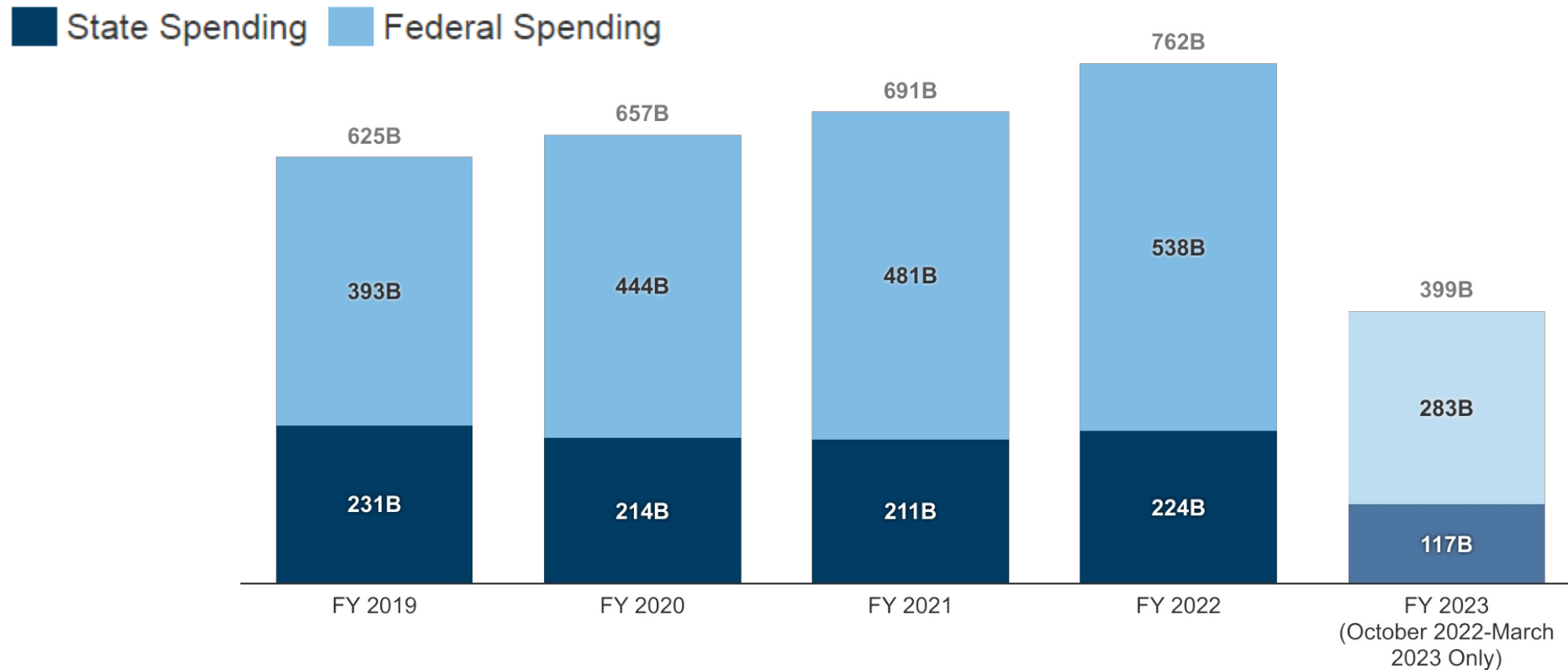
M = Millions

SOURCE: KFF analysis of CMS Performance Indicator data.

Figure 3

While enrollment increased during the continuous enrollment period, state Medicaid spending remained below FY 2019 levels.

State and Federal Medicaid Spending Since FY 2019



NOTES: FY = federal fiscal year. FY 2019-2022 spending is from CMS-64 New Adult Group Expenditures Data collected through MBES. FY 2023 is estimated only through March 2023 (when the Medicaid continuous enrollment period ended).

SOURCE: KFF estimates based on analysis of the T-MSIS Research Identifiable Files, Medicaid CMS-64 New Adult Group Expenditures Data collected through MBES, and enrollment data from prior KFF analysis. See methods of KFF's "Fiscal Implications for Medicaid of Enhanced Federal Funding and Continuous Enrollment" for more information.

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

Figure 5

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

CMS-Specified Monthly Reporting Requirements

- Total applications completed and pending
- Total individuals due for a renewal in the reporting month
- Total Medicaid fair hearings pending

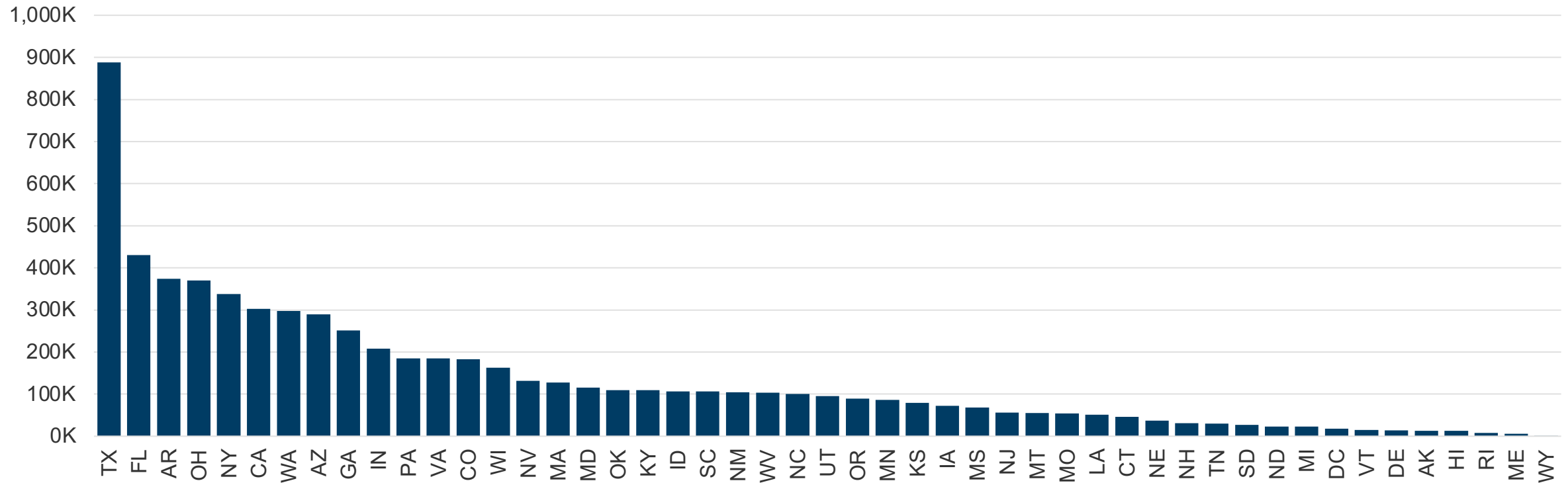
Monthly Reporting Requirements Mandated by Consolidated Appropriations Act

- Number of enrollees renewed on a total and ex parte basis
- Number of enrollees terminated, including those determined ineligible and disenrolled for procedural reasons
- Number of enrollees enrolled in separate CHIP program
- Number of individuals transferred to the Marketplace and number who selected a qualified health plan
- Total call center volume, average wait times, average abandonment rate

Figure 6

At least 6.5 million people have been disenrolled from Medicaid in 49 states reporting data, as of September 15, 2023

State-Reported Disenrollments from Medicaid



K = Thousands. Based on the most recent state-reported unwinding data available. Time periods differ by state.

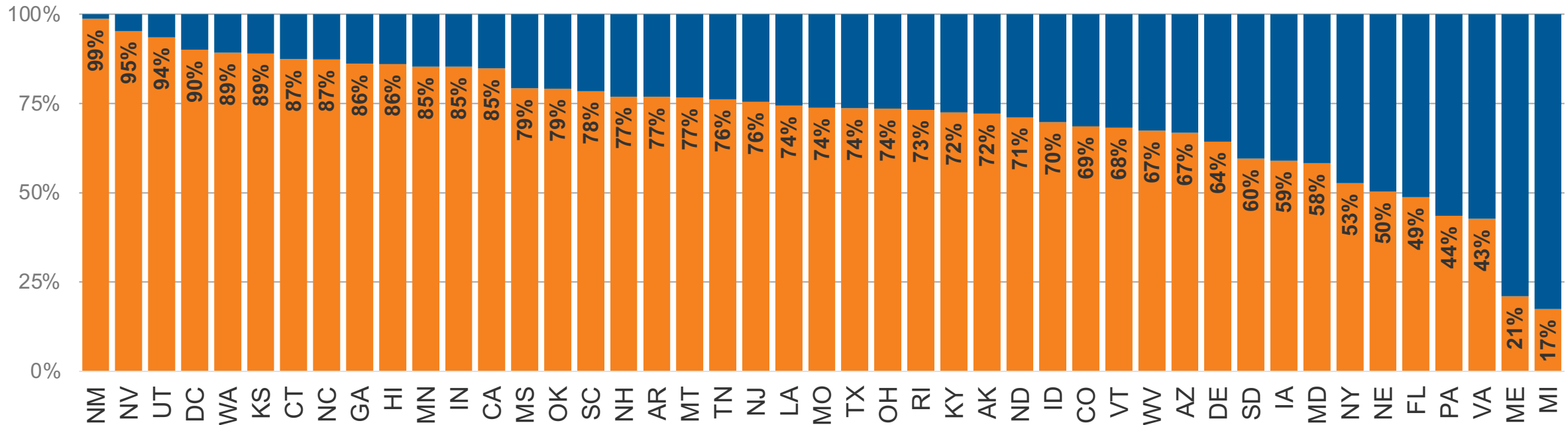
SOURCE: KFF Medicaid Enrollment and Unwinding Tracker.

Figure 7

Overall, 72% of disenrollments are due to procedural reasons, among states reporting as of September 15, 2023

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

Terminated for procedural reasons Determined ineligible



Note: Based on the most recent state-reported unwinding data available. Time periods differ by state. 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.

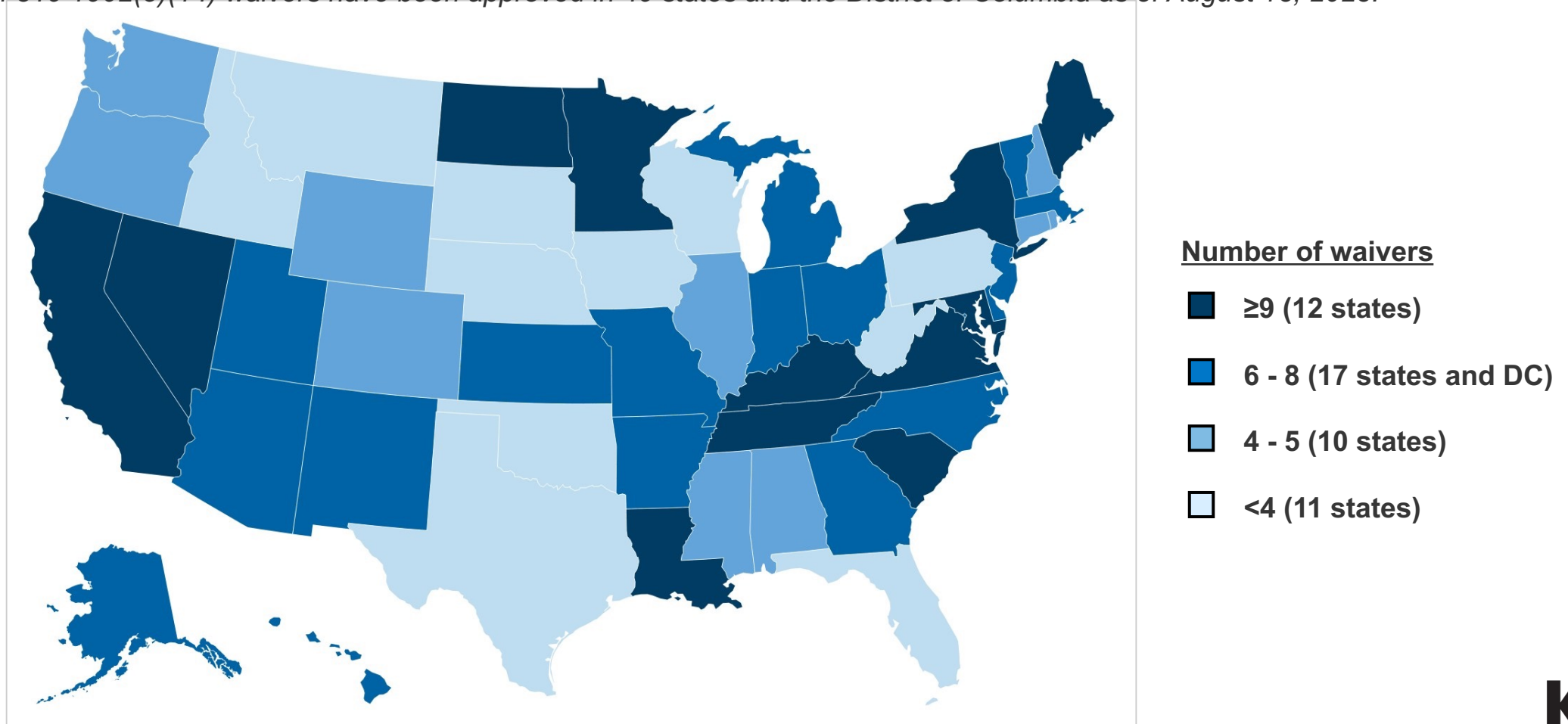
Source: KFF Analysis of State Unwinding Dashboards and Monthly Reports Submitted to CMS



Figure 8

Most states have taken advantage of flexibilities to streamline renewal processes during the unwinding period.

A total of 319 1902(e)(14) waivers have been approved in 49 states and the District of Columbia as of August 18, 2023.



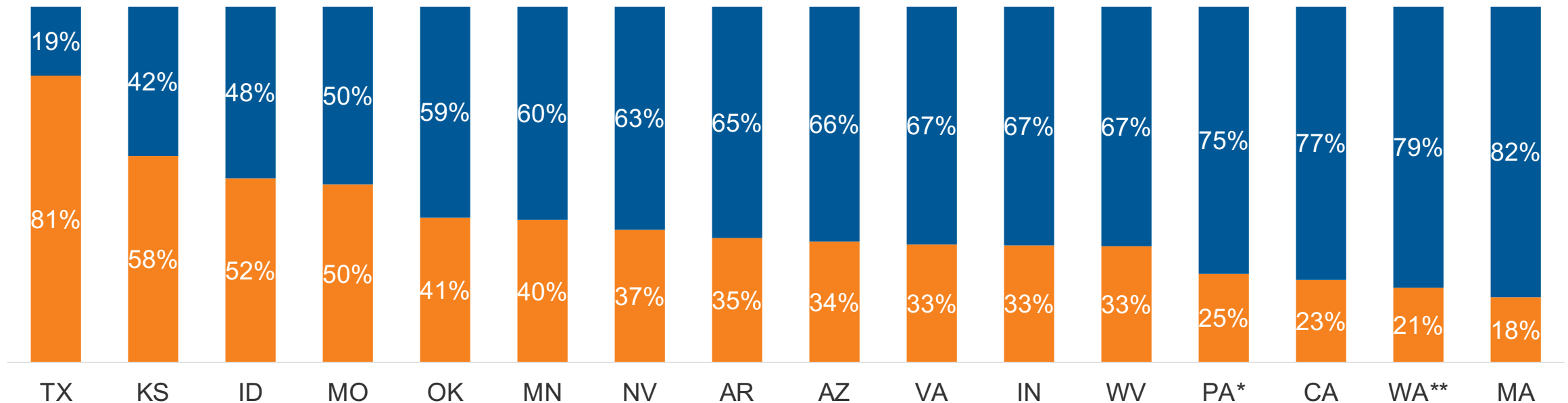
Source: Centers for Medicare and Medicaid Services (CMS), "COVID-19 PHE Unwinding Section 1902(e)(14)(A) Waiver Approvals"

Figure 9

Children account for about four in ten Medicaid disenrollments in reporting states.

Distribution of Disenrollments by Age:

Children Adults



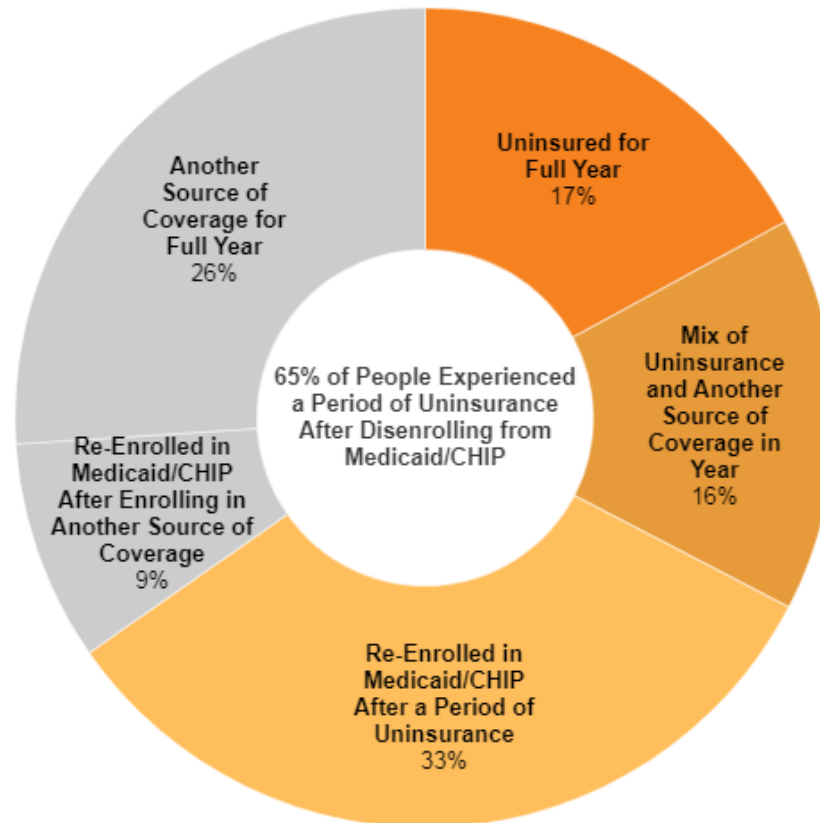
Note: Based on the most recent state-reported unwinding data available. Time periods may differ by state. States may identify children based on age or eligibility group. *Pennsylvania only reports disenrollments by age among enrollees the state has flagged as likely ineligible; **In Washington, children up to age six will be manually reinstated once the state makes system changes to align with new continuous eligibility for that group.

Source: KFF Analysis of State Unwinding Dashboards and Monthly Reports Submitted to CMS

Figure 10

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:



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.

SOURCE: KFF analysis of the Medical Expenditure Panel Survey Household Component (MEPS-HC), Panels 21-23, Agency for Healthcare Research and Quality (AHRQ). [See What Happens After People Lose Medicaid Coverage?](#) for more information.

Other key issues to watch: eligibility expansions


- Continuous eligibility
 - 12-Month continuous eligibility for children in Medicaid/CHIP goes into effect January 1, 2024
 - Oregon and Washington providing multi-year continuous eligibility for young children (ages 0-5); some other states considering multi-year continuous eligibility for children
 - Oregon also offers 2-year continuous eligibility for children ages 6+ and adults.
- 12-Month postpartum eligibility adopted in 46 states
- New proposed rule would simplify eligibility and enrollment processes, especially for children and people dually enrolled in Medicaid and Medicare
- Medicaid expansion newly adopted in South Dakota & North Carolina in 2023 (implementation contingent on adopting the budget in NC)

Figure 12

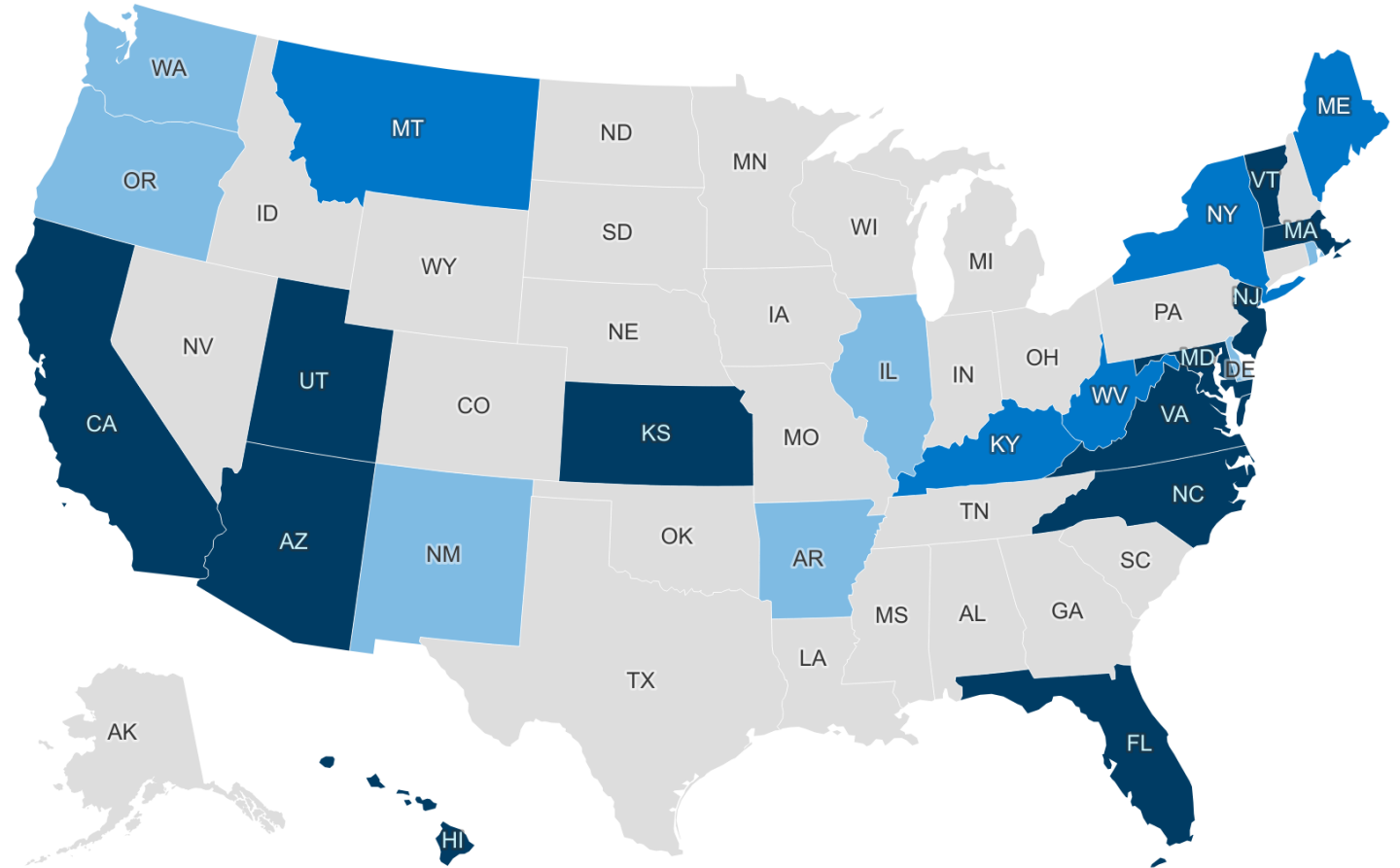
As of August 2023, 24 states have an approved or pending Section 1115 waiver with SDOH-related provisions.

of states with:

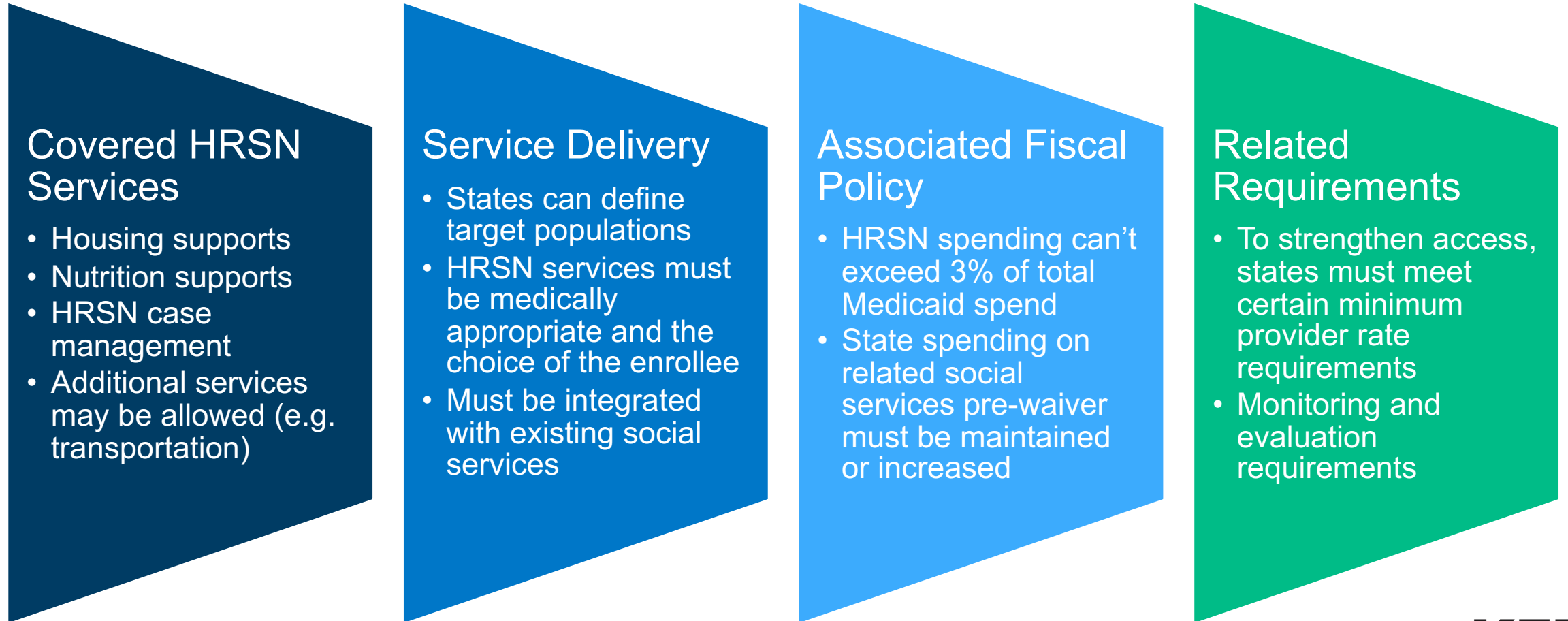
 Approved waiver (12)

 Approved waiver & pending request (7)

 Pending request (5)



In 2022, CMS presented a framework for states to use waivers to address health-related social needs (HRSN).



Other key issues to watch: addressing health disparities, access and LTSS

- Addressing health disparities and access
 - **Addressing health disparities:** States are leveraging Medicaid to help address health disparities with specific policies related to maternal health, behavioral health, etc.
 - **Behavioral health access:** States continue to expand benefits to help address behavioral health issues including a range of crisis services
 - **Medicaid access and managed care proposed rules:** Two rules increasing oversight of access to care, payment rates, and enrollee engagement with Medicaid agency/plans
- Long-term services and supports (LTSS):
 - The shift from institutions to the community ramped up during the pandemic
 - Workforce issues highlighted during the pandemic for both home health and institutional care
 - New proposed rule to provide minimum staffing levels in nursing facilities

What to watch looking ahead:

- Key questions on unwinding:
 - What additional data would help inform the implications of unwinding (e.g., data by eligibility group, race/ethnicity, how many people reenroll in Medicaid, etc.)?
 - What can we learn from on the ground experiences of enrollees and other stakeholders about how unwinding is going?
 - How will unwinding affect overall health coverage rates, particularly the uninsured rate?
- Other areas to watch:
 - What is the fiscal outlook for states?
 - What happens with proposed regulations on access, managed care and nursing facility staffing?
 - How will states continue to use Medicaid to address health disparities, behavioral health issues and SDOH challenges?
 - How will states manage workforce challenges for behavioral health and long-term services and supports?