

# Continuous Eligibility under the Consolidated Appropriations Act, 2023

Centers for Medicare & Medicaid Services  
Center for Medicaid & CHIP Services

June 29, 2023



# Housekeeping

- Today's webinar will be recorded. The recording and slides will be shared with the participants following the webinar.
- Organizers will keep all participants on listen-only mode during the presentation to avoid background noise and distractions.
- Please submit your questions through the chat feature at the bottom of the screen. Submitted questions will be addressed during the Q&A portion of the presentation.
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- After the webinar, please answer the post-call survey to let us know how we did.

# Agenda

- Overview of the Consolidated Appropriations Act, 2023 (CAA, 2023) Requirement to Provide Continuous Eligibility (CE) for Children in Medicaid and the Children's Health Insurance Program (CHIP):
  - *Stacey Green, Division of State Coverage Programs*
- State experiences implementing continuous eligibility:
  - *Utah: Brigham Andrew, Utah Department of Health and Human Services*
  - *Washington: Maggie Clay, Washington State Health Care Authority*
- Q&A via chat

# Overview of CAA, 2023

- Section 5112 of the CAA, 2023 amends sections 1902(e)(12) and 2107(e)(1) of the Social Security Act (the Act) to make it mandatory for states to provide 12 months of CE for children under age 19 in Medicaid and CHIP (with limited exceptions)
- Effective Date: January 1, 2024
- SPA submission in Medicaid and CHIP is required for all states that will be newly adopting CE, and for some states that already have CE

# Existing State Plan Option (Pre-CAA)

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- CE for children has been a long standing state plan option in Medicaid and CHIP

Medicaid Authorities	CHIP Authorities
<i>Section 1902(e)(12) and 42 CFR § 435.926*</i>	<i>Section 2107(e)(1) and 42 CFR § 457.342*</i>

\* These regulations will continue to apply to mandatory CE after January 1, 2024, except where inconsistent with section 5112 of the CAA, 2023

- As of June of 2023, 22 states have implemented CE in both Medicaid and CHIP. An additional nine states have implemented CE in at least one program

# Existing State Plan Option (Pre-CAA) <sup>2/2</sup>

- Children determined eligible at application or during an annual renewal remain eligible for a 12-month period **regardless** of most changes in circumstances, such as:
  - Changes in income or household composition,
  - Loss of Supplementation Security Income (SSI) for children eligible for Medicaid, or
  - Obtaining other health insurance for children enrolled in CHIP
- There are limited exceptions when a change in circumstance can result in termination of eligibility during a CE period under § 435.926 and § 457.342, such as when a child turns age 19, or ceases to be a resident of the state

# Findings from the Literature

- Research has shown that children who are disenrolled for all or part of the year are more likely to have fair or poor health care status compared to children who have health insurance continuously throughout the year<sup>1</sup>
- CE has been shown to:
  - Reduce financial barriers to care for low-income families,
  - Promote improved health outcomes, and
  - Provide states with better tools to hold health plans accountable for quality care and improved health outcomes<sup>2</sup>

## References:

1. Brantley, E., & Ku, L. (2022). Continuous eligibility for Medicaid associated with improved child health outcomes. *Medical Care Research and Review*, 79(3), 404-413.
2. Park, E., Alker, J., & Corcoran, A. (2020). Jeopardizing a Sound Investment: Why Short-Term Cuts to Medicaid Coverage During Pregnancy and Childhood Could Result in Long-Term Harm. Retrieved from: <https://www.commonwealthfund.org/publications/issue-briefs/2020/dec/short-term-cuts-medicaid-long-term-harm>

# CAA, 2023 – Mandatory CE <sup>1/2</sup>

- The CAA, 2023 amends sections 1902 (e)(12) and 2107(e)(1) of the Act to require one year of CE under the State plan or a waiver of the State plan for children under age 19 enrolled in Medicaid and CHIP
- The CAA, 2023 provides that children shall remain eligible for benefits until the earlier of —
  - The end of the 12-month period beginning on the date of an eligibility determination;
  - The time the individual attains the age of 19; or
  - The date that the individual ceases to be a resident of the state
  - Section 2107(e)(1)(K) also specifies that a child in CHIP who becomes eligible for Medicaid and transfers to that program must remain in Medicaid for the duration of 12-month period



# CAA, 2023 – Mandatory CE <sup>2/2</sup>

- CMS will provide further guidance on the applicability of additional exceptions that exist in regulations at § 435.926 and § 457.342:
  - Voluntary termination,
  - Children erroneously enrolled in coverage,
  - Death, and
  - Failure to pay premiums in CHIP

# CAA, 2023 – Start Date of CE Period

- At Application: The CE period for new applicants begins on the effective date of eligibility
  - Medicaid: Date of application or the first day of the month the application was submitted, depending on state option
  - CHIP: Date of application or another reasonable methodology, depending on state option
- At Renewal: A new CE period begins for individuals whose eligibility is renewed at a periodic renewal
  - The effective date of the child's renewal in accordance with § 435.916 for Medicaid (applied at § 457.343 to CHIP)

# CAA, 2023 – Effective Date

- Mandatory CE under the CAA, 2023 is effective January 1, 2024
- Applicants: Individuals under age 19 applying for coverage on or after January 1, 2024 who are determined eligible for Medicaid or CHIP are entitled to 12 months CE unless an exception applies
- Current Enrollees: Individuals under age 19 who are enrolled in Medicaid or CHIP as of January 1, 2024 are entitled to 12 months of CE based on their last full determination of eligibility (generally at initial application or last periodic renewal), unless an exception applies

# State Plan Amendments

- SPA submission in Medicaid and CHIP is required for a state if it is:
  - **Newly adopting** CE in one or both programs
  - Currently provides CE but **imposes restrictions** that will no longer be permissible under the CAA, 2023, such as:
    - Applying CE to only a subset of children, such as the from-conception-to-end of pregnancy population or children under a specific age
    - Permitting a CE period shorter than 12 months
- In order to meet the January 1, 2024 effective date, states will need to submit a SPA:
  - *Medicaid*: No later than March 31, 2024
  - *CHIP*: No later than the end of the state fiscal year in which January 1, 2024 falls.
- CMS will provide updated SPA templates for Medicaid and CHIP

# Key Take Away Items

- Current CE regulations will continue to apply to CE after January 1, 2024, unless inconsistent with the CAA, 2023
- States continue to have the option to adopt CE prior to implementation of mandatory CE in 2024
- SPA submission in Medicaid and CHIP is required for all states that will be newly adopting CE, and for some states that already have CE
  - Please reach out to your Medicaid state lead or CHIP Project Officer with questions on SPA submissions
- CMS will release more detailed guidance this year on the CAA, 2023.

# Resources

## **Medicaid.gov: Continuous Eligibility for Medicaid and CHIP**

<https://www.medicaid.gov/medicaid/enrollment-strategies/continuous-eligibility-medicaid-and-chip-coverage/index.html>

## **CCF Continuous Eligibility Program Design and Snapshot**

(July 2021) <https://ccf.georgetown.edu/wp-content/uploads/2012/03/CE-program-snapshot.pdf>

## **Consolidated Appropriations Act, 2023 (CAA, 2023) Section**

**5112** <https://www.congress.gov/bill/117th-congress/house-bill/2617/text>

# 12 Month Continuous Coverage for Children



Utah's Experience

# Brief History of Continuous Coverage

- 12 month continuous coverage option first included in the Balanced Budget Act of 1997
  - States had 4 options:
    - Medicaid children
    - CHIP children
    - To both groups
    - Not at all
  - Other states chose specific child groups or variations
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# Utah's Current Landscape

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- Some Utah programs already have 12 month continuous coverage:
  - CHIP
  - Targeted Adult Medicaid (adults)
- The Utah Legislature considered several bills to add this option to Medicaid but it failed to pass
  - Until 2020, when it finally passed...or did it?
- All states are now required to implement this provision of the CAA in January 2024

# What Needs to Change?

- State plan amendment
- State rules?
- Eligibility Policy
- System(s)
- Notices
- Training

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# Eligibility Policy challenges

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- Medical programs may react differently to the same reportable change
  - Example - New employment
- When are children allowed to move eligibility groups?
- How does 12 month continuous work with Transitional Medical Assistance (TMA)?

- Reduces churn for reported changes
- Potential reduction in admin costs
- However, may not help with retention:
  - Utah averages 11.7 months in Medicaid
  - Utah averages 11.9 months in CHIP

**What does this policy do?**

# Apple Health for Kids: Continuous eligibility in children's health coverage in Washington

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Office of Medicaid Eligibility Policy  
June 2023

# State of Washington Agenda

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Evolution of Apple Health for Kids

Program elements and implementation strategies

Results and progress

The future of coverage in Washington

Questions

# Evolution of Apple Health for Kids

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# Apple Health (Medicaid) for Kids

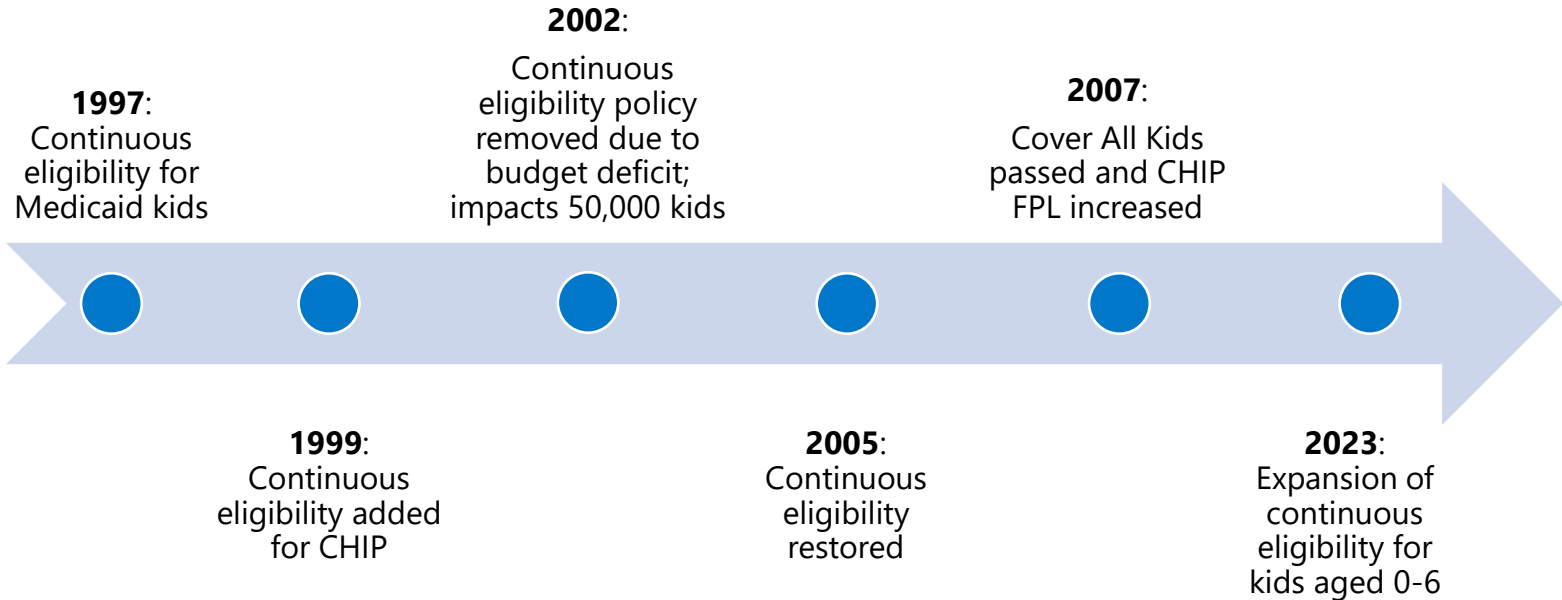
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- ▶ Washington adopted continuous eligibility for Apple Health (Medicaid) for Kids when it became a state option in 1997.
- ▶ Since the Affordable Care Act, Washington covers:
  - ▶ Medicaid kids up to 210% Federal Poverty Level (FPL) (cost free)
  - ▶ Children's Health Insurance Program (CHIP) kids up to 312% FPL (\$20 or \$30 premiums)
- ▶ Washington covers all kids regardless of immigration status.
- ▶ Both programs provide medical, dental, vision and behavioral health benefits to children under age 19.



# Apple Health for Kids: A brief history

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# Program elements and implementation strategies

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# Continuous eligibility

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- ▶ Continuous eligibility provides coverage to children in Medicaid and CHIP for a full twelve months unless the child:
  - ▶ Ages out
  - ▶ Moves out of state
  - ▶ Voluntarily withdraws
  - ▶ Deceased
  - ▶ Erroneous initial eligibility

# Addressing barriers to coverage

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- ▶ Washington uses strategies to minimize barriers to apply and renew, including:
  - ▶ Utilizes a single streamlined application
  - ▶ Takes attestation of income with post-eligibility review
  - ▶ Requires no waiting period requirements for enrollment
  - ▶ Maintains a high rate of automatic renewals, reducing the need for client action

# Tracking continuous eligibility

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- ▶ Continuous eligibility system tracker is applied at initial eligibility determination.
- ▶ If coverage is disrupted within the 12-month continuous eligibility period and they reapply, their tracker will ensure they are continued on the appropriate program through their continuous eligibility period.
- ▶ If found to be ineligible at any point, eligibility workers have the ability to remove or discontinue their continuous eligibility tracker.

# Outreach efforts

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- ▶ Washington values stakeholder and community-based partnerships, recognizing the necessity to provide culturally and linguistically competent information and assistance to all.
- ▶ HCA collaborates to provide intentional and targeted outreach with:
  - ▶ Community-based organizations
  - ▶ Tribal and local governments
  - ▶ Partner agencies
  - ▶ Providers
  - ▶ Advocates
  - ▶ Clients and community

# Results and progress

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# Enrollment trends

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- ▶ Enrollment in children's programs in Washington State increased by nearly 76% between 2007 and 2022.
- ▶ Factors influencing enrollment include:
  - ▶ Policy changes including ACA expansion and COVID-19 continuous enrollment
  - ▶ Improved enrollment strategies
  - ▶ Economic changes



# Challenges and opportunities for improving enrollment and retention

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## ▶ Challenges include:

- ▶ Awareness around available programs
- ▶ Renewal processes and program navigation
- ▶ Fluctuations in household income and composition
- ▶ Return to pre-PHE eligibility operations

## ▶ Opportunities include:

- ▶ Enhanced outreach and education
- ▶ Coordinating with other programs to simplify enrollment processes
- ▶ Advance initiatives that improve health equity and address social determinants of health

# The future of coverage in Washington

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# Expansion of coverage in Washington

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Washington has been finding ways to transform coverage for families including:

- ▶ The early expansion of access for pregnant individuals and young children in the 1990s, including continuous eligibility for all children and pregnant individuals.
- ▶ Implementation of postpartum coverage to 12-months for all pregnant individuals
- ▶ Implementation of a managed care system for most Medicaid enrollees that allows client choice at any time.

# Continuous eligibility 0-6

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- ▶ In April 2023, CMS approved Washington's 1115 Waiver request to provide continuous eligibility to Medicaid-eligible children through the month of their 6th birthday.
- ▶ This demonstration will ensure continuous coverage and retention for young children and:
  - ▶ Promote longer-term access to and continuity of physical health care, behavioral health care, and health-related services.
  - ▶ Improve short and long-term health outcomes for these children.
  - ▶ Support school readiness.
- ▶ Washington is working to obtain waiver authority and local authority to include CHIP-eligible children at a future date.



# Questions

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# Questions via Chat