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## **APPENDIX TO EVALUATION DESIGN GUIDANCE FOR SECTION 1115 ELIGIBILITY & COVERAGE DEMONSTRATIONS: RETROACTIVE ELIGIBILITY WAIVERS**

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This appendix to the evaluation design guidance for section 1115 eligibility and coverage demonstrations provides specific guidance for evaluations of retroactive eligibility waivers. The appendix contains suggested policy goals, an example logic model for expected outcomes, hypotheses and research questions, and evaluation approaches for retroactive eligibility waivers (see table). States with other eligibility and coverage policies should consult each relevant appendix to build their demonstration evaluation design, in addition to the generalized evaluation design guidance for section 1115 eligibility and coverage policies.

States with more than one eligibility and coverage policy may not be able to address all recommended research questions in each appendix because it will not be possible to attribute observed effects to individual policies, as opposed to the demonstration as a whole. States should work with their evaluators to determine which research questions are most appropriate and feasible to address for individual demonstration policies.

### **1. Retroactive eligibility waivers in section 1115 demonstrations**

Retroactive eligibility is a provision in federal law that requires state Medicaid programs to provide coverage starting up to three months prior to the beneficiary's application date if the individual has unpaid medical expenses and would have been eligible for Medicaid, had s/he applied.<sup>1</sup> States have used section 1115 waiver authority to eliminate or limit retroactive eligibility for all or part of their Medicaid populations, including adults and children.

### **2. The goals of the retroactive eligibility policy**

States should articulate their policy goals for the retroactive eligibility waiver. For example, the purpose of the retroactive eligibility waiver might be to test whether eliminating (reducing) retroactive eligibility:

- a. Encourages people to sign up for and maintain coverage when healthy, as opposed to signing up after they become sick,
- b. Leads to increased continuity of care by reducing coverage gaps that occur when people churn off and on Medicaid, and
- c. Improves health outcomes.

### **3. Example logic model for retroactive eligibility waivers**

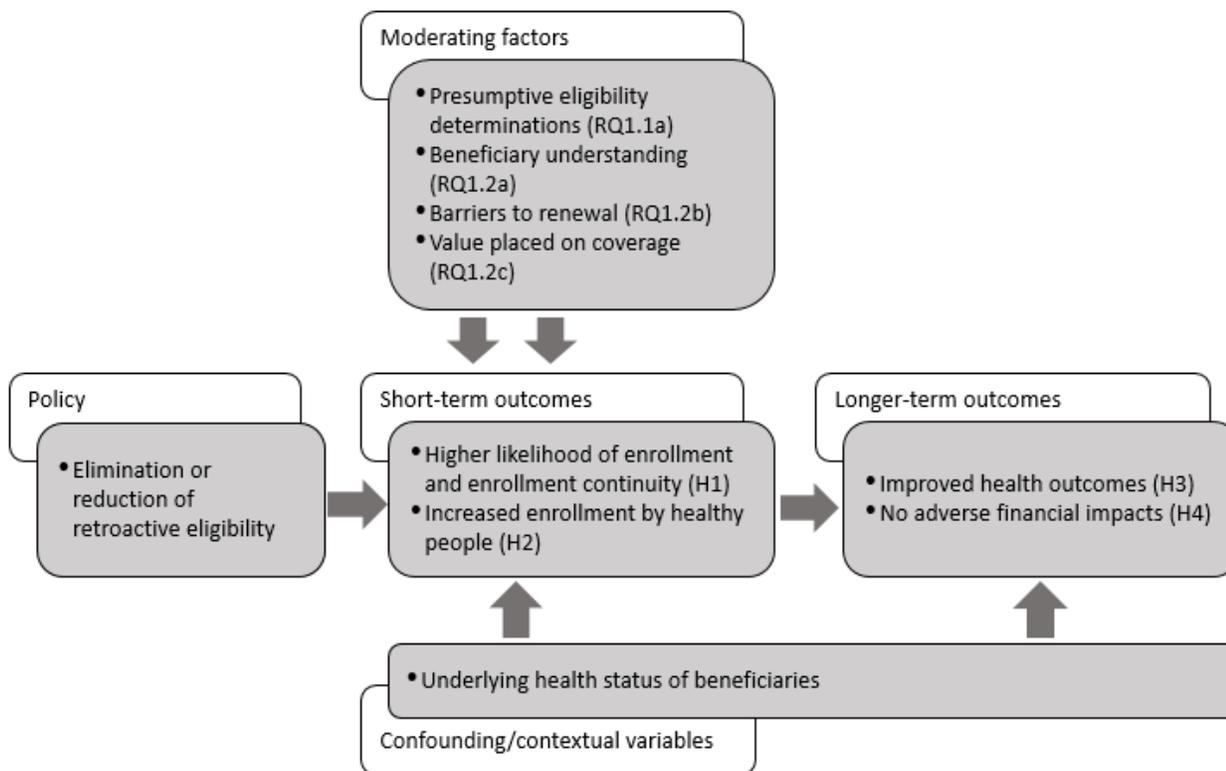
The figure below is an example logic model for retroactive eligibility waivers, based on policy goals articulated in demonstration approval letters from the Centers for Medicare & Medicaid

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<sup>1</sup> 42 US Code, Sec. 1396a(a)(34). "A State plan for medical assistance must...provide that in the case of any individual who has been determined to be eligible for medical assistance under the plan, such assistance will be made available to him for care and services included under the plan and furnished in or after the third month before the month in which he made application (or application was made on his behalf in the case of a deceased individual) for such assistance if such individual was (or upon application would have been) eligible for such assistance at the time such care and services were furnished."

Services. Hypothesis and research question numbers in parentheses refer to the hypotheses and research questions listed below the example logic model.

**Example logic model for section 1115 retroactive eligibility waivers**



**4. Hypotheses and research questions for retroactive eligibility waivers**

CMS encourages states to include the following hypotheses and research questions. States may also add hypotheses and research questions designed to evaluate unique or state-specific aspects of the retroactive eligibility policy. Hypotheses 1 - 4 and corresponding research questions are listed in the table below, along with recommended comparison groups (where applicable), outcome measures, data sources, and analytic approaches.

**Hypothesis 1:** Eliminating or reducing retroactive eligibility will increase the likelihood of enrollment and enrollment continuity.

*Primary research question 1.1:* Do eligible people subject to retroactive eligibility waivers enroll in Medicaid at the same rates as other eligible people who have access to retroactive eligibility?

*Subsidiary research question 1.1a:* Are there changes in the rate of presumptive eligibility determinations after the elimination or reduction of retroactive eligibility?

*Primary research question 1.2:* What is the likelihood of enrollment continuity for those subject to a retroactive eligibility waiver compared to other Medicaid beneficiaries who have access to retroactive eligibility?

*Subsidiary research question 1.2a:* Do beneficiaries subject to the retroactive eligibility waiver understand that they will not be covered during enrollment gaps?

*Subsidiary research question 1.2b:* What are common barriers to timely renewal for those subject to the retroactive eligibility waiver?

*Subsidiary research question 1.2c:* Among beneficiaries subject to the retroactive eligibility waiver, is timely renewal more likely by those who might be expected to value coverage highly (for example, those with higher risk scores or more chronic conditions), relative to those who might value coverage less (for example, because they are healthy)?

*Primary research question 1.3:* Do beneficiaries subject to retroactive eligibility waivers who disenroll from Medicaid have shorter enrollment gaps than other beneficiaries who have access to retroactive eligibility?

**Hypothesis 2:** Eliminating or reducing retroactive eligibility will increase enrollment of eligible people when they are healthy relative to those eligible people who have the option of retroactive eligibility.

*Primary research question 2.1:* Do newly enrolled beneficiaries subject to the waiver of retroactive eligibility have higher self-assessed health status than other newly enrolled beneficiaries who have access to retroactive eligibility?

**Hypothesis 3:** Through greater continuity of coverage, health outcomes will be better for those subject to retroactive eligibility waivers compared to other Medicaid beneficiaries who have access to retroactive eligibility.

*Primary research question 3.1:* Do beneficiaries subject to the retroactive eligibility waiver have better health outcomes than other beneficiaries who have access to retroactive eligibility?

**Hypothesis 4:** Elimination or reduction of retroactive coverage eligibility will not have adverse financial impacts on consumers.

*Primary research question 4.1:* Does the retroactive eligibility waiver lead to changes in the incidence of beneficiary medical debt?

**Suggested comparison strategies, measures, data sources, and analytic approaches for evaluations of retroactive eligibility waivers**

Note: CMS expects that states will work with their evaluators to choose among and adapt suggested evaluation approaches based on comparison group opportunities and data availability. Suggested approaches to answering primary research questions emphasize experimental and quasi-experimental approaches, like difference-in-differences regression models, because these research questions directly address hypotheses. Subsidiary questions are more exploratory in nature and in some cases descriptive analyses are the only feasible way to address them.

Comparison strategy	Outcome measure(s)	Data sources	Analytic approach
<i>Hypothesis 1: Eliminating or reducing retroactive eligibility will increase the likelihood of enrollment and enrollment continuity.</i>			
<b>Primary research question 1.1:</b> Do eligible people subject to retroactive eligibility waivers enroll in Medicaid at the same rates as other eligible people who have access to retroactive eligibility?			
1. Similar people in states that provide retroactive coverage	Reported enrollment in Medicaid	IPUMS ACS, variable HINSCAID	Difference-in-differences regression model of Medicaid enrollment among the likely eligible population
2. Likely eligible people in demonstration state not subject to retroactive eligibility waiver based on implementation strategy (staged by geographic area, age group, or other group, if staged rollout takes at least one year), and/or eligibility criteria that can be proxied with survey data (i.e., different income, age, or caretaker status groups)			
Similar beneficiaries in eligibility groups not subject to retroactive eligibility waiver	Number of individuals enrolled in Medicaid by eligibility group, by month or quarter	State administrative enrollment data	Difference-in-differences regression model of counts of Medicaid enrollment by eligibility group (or descriptive analysis, depending on available pre- and post-implementation data points)
Similar beneficiaries in eligibility groups not subject to retroactive eligibility waiver	Number of new enrollees in Medicaid by eligibility group, by month or quarter	State administrative enrollment data	Difference-in-differences regression model of counts of new Medicaid enrollment (enrollment by those without a recent spell of Medicaid coverage) by eligibility group (or descriptive analysis, depending on available pre- and post-implementation data points)

Comparison strategy	Outcome measure(s)	Data sources	Analytic approach
<b>Subsidiary research question 1.1a:</b> Are there changes in the rate of presumptive eligibility determinations after the elimination or reduction of retroactive eligibility?			
Similar beneficiaries not subject to retroactive eligibility waiver based on implementation strategy (staged by geographic area, age group, or other beneficiary characteristic) and/or eligibility criteria	Probability of a presumptive eligibility determination	State administrative enrollment data	Difference-in-differences or regression discontinuity model of presumptive eligibility determinations among new Medicaid enrollees (enrollment by those without a recent spell of Medicaid coverage) <sup>a</sup>
n.a.	Reported changes in providers' presumptive eligibility activities in response to retroactive eligibility waiver	State-based survey of presumptive eligibility entities or systematic set of key informant interviews	Descriptive quantitative and/or qualitative analysis of presumptive eligibility determinations
<b>Primary research question 1.2:</b> What is the likelihood of enrollment continuity for those subject to a retroactive eligibility waiver compared to other Medicaid beneficiaries who have access to retroactive eligibility?			
Similar beneficiaries not subject to retroactive eligibility waiver based on implementation strategy (staged by geographic area, age group, or other beneficiary characteristic) and/or eligibility criteria	Probability of completing the renewal process	State administrative enrollment data	Difference-in-differences or regression discontinuity model of completed renewals among beneficiaries who are due for renewal <sup>a</sup>
Similar beneficiaries not subject to retroactive eligibility waiver based on implementation strategy (staged by geographic area, age group, or other beneficiary characteristic) and/or eligibility criteria	Probability of remaining enrolled in Medicaid for 12-, 18-, 24-consecutive months	State administrative enrollment data	Difference-in-differences or regression discontinuity model of enrollment continuity among beneficiaries starting a new spell of enrollment in Medicaid (enrollment by those without a recent spell of Medicaid coverage) <sup>a</sup>
Similar beneficiaries not subject to retroactive eligibility waiver based on implementation strategy (staged by geographic area, age group, or other beneficiary characteristic) and/or eligibility criteria	Number of months with Medicaid coverage (1-12)	State administrative enrollment data	Difference-in-differences regression model (or regression discontinuity or hazard model, if no pre-period data are available) of duration of Medicaid coverage <sup>a</sup>
<b>Subsidiary research question 1.2a:</b> Do beneficiaries subject to the retroactive eligibility waiver understand that they will not be covered during enrollment gaps?			
n.a.	Reported knowledge of Medicaid policy on coverage during enrollment gaps	State beneficiary survey or interviews	Descriptive quantitative and/or qualitative analysis (depending on data source)
<b>Subsidiary research question 1.2b:</b> What are common barriers to timely renewal for those subject to a retroactive eligibility waiver?			
n.a.	Reported barriers to timely renewal	State beneficiary survey or interviews	Descriptive quantitative and/or qualitative analysis (depending on data source)

Comparison strategy	Outcome measure(s)	Data sources	Analytic approach
<b>Subsidiary research question 1.2c:</b> Among beneficiaries subject to the retroactive eligibility waiver, is timely renewal more likely by those who might be expected to value coverage highly (for example, those with higher risk scores or more chronic conditions), relative to those who might value coverage less (for example, because they are healthy)?			
Compare to other beneficiaries subject to waiver who are due for renewal, by health status	Probability of completing the renewal process	State administrative enrollment and claims/encounter data	Regression model estimating association of health status (e.g. chronic conditions; risk scores) and/or prior health care use (e.g., any overnight hospital stay, any ER visit) with timely renewal among beneficiaries subject to waivers of retroactive eligibility who are due for renewal
<b>Primary research question 1.3:</b> Do beneficiaries subject to retroactive eligibility waivers who disenroll from Medicaid have shorter enrollment gaps than other beneficiaries who have access to retroactive eligibility?			
Similar beneficiaries not subject to retroactive eligibility waiver based on implementation strategy (staged by geographic area, age group, or other beneficiary characteristic) and/or eligibility criteria	Probability of re-enrolling in Medicaid after a gap in coverage up to a fixed number of observable months (i.e., 6 months)	State administrative enrollment data	Difference-in-differences or regression discontinuity model of reenrollments in Medicaid among beneficiaries who disenrolled from Medicaid <sup>a</sup>
Similar beneficiaries not subject to retroactive eligibility waiver based on implementation strategy (staged by geographic area, age group, or other beneficiary characteristic) and/or eligibility criteria	Number of months without Medicaid coverage up to a fixed number of observable months (i.e., 6 months)	State administrative enrollment data	Difference-in-differences or regression discontinuity model of length of enrollment gap in Medicaid among beneficiaries who disenrolled from Medicaid <sup>a</sup>
<b>Hypothesis 2:</b> <i>Eliminating or reducing retroactive eligibility will increase enrollment of eligible people when they are healthy relative to those eligible people who have the option of retroactive eligibility.</i>			
<b>Primary research question 2.1:</b> Do newly enrolled beneficiaries subject to a waiver of retroactive eligibility have higher self-assessed health status than other newly enrolled beneficiaries who have access to retroactive eligibility?			
Similar beneficiaries not subject to retroactive eligibility waiver based on implementation strategy (staged by geographic area, age group, or other beneficiary characteristic) and/or eligibility criteria	Reported excellent or very good health status (physical and/or mental health status); reported prior year utilization (e.g., any overnight hospital stay, any ER visit)	State beneficiary survey or application screener linked to state administrative data (if survey is fielded at baseline and after implementation or if initial post-implementation survey asks retrospective questions)	Difference-in-differences regression model of self-reported health status and/or prior health care use among newly enrolled Medicaid beneficiaries (enrollment by those without a recent spell of Medicaid coverage)

Comparison strategy	Outcome measure(s)	Data sources	Analytic approach
Similar beneficiaries not subject to retroactive eligibility waiver based on implementation strategy (staged by geographic area, age group, or other beneficiary characteristic) and/or eligibility criteria	Reported excellent or very good health status (physical and/or mental health status); reported prior year utilization (e.g., any overnight hospital stay, any ER visit)	State beneficiary survey or application screener linked to state administrative data (but lacking baseline data)	Descriptive regression model or regression discontinuity model of self-reported health status and/or prior health care use among newly enrolled Medicaid beneficiaries (enrollment by those without a recent spell of Medicaid coverage) <sup>a</sup>
<b>Hypothesis 3:</b> <i>Through greater continuity of coverage, health outcomes will be better for those subject to retroactive eligibility waivers compared to other Medicaid beneficiaries who have access to retroactive eligibility.</i>			
<b>Primary research question 3.1:</b> Do beneficiaries subject to the retroactive eligibility waiver have better health outcomes than other beneficiaries who have access to retroactive eligibility?			
Similar people in states that provide retroactive coverage	Reported excellent or very good health status; healthy days	BRFSS, variables GENHLTH, MENTHLTH, PHYSHLT, POORHLTH	Difference-in-differences regression model of self-reported health status/healthy days among the likely eligible population
Similar beneficiaries not subject to retroactive eligibility waiver based on implementation strategy (staged by geographic area, age group, or other beneficiary characteristic) and/or eligibility criteria	Change in physical and mental health status, measured at baseline and at 12, 18, 24 months	State beneficiary survey (longitudinal) linked to state administrative data	Regression model of change in self-reported health status among Medicaid beneficiaries initially enrolled and subject to waiver
<b>Hypothesis 4:</b> <i>Elimination or reduction of retroactive coverage eligibility will not have adverse financial impacts on consumers.</i>			
<b>Primary research question 4.1:</b> Does the retroactive eligibility waiver lead to changes in the incidence of beneficiary medical debt?			
Similar people in states that provide retroactive eligibility coverage	Reported medical debt (medical bills)	BRFSS, variable MEDBILL1 in Health Care Access optional module	Difference-in-differences regression model of medical debt among the likely eligible population

Note: The target population is demonstration beneficiaries subject to retroactive eligibility waiver unless otherwise noted in the analytic approach.

<sup>a</sup> If no baseline (pre-demonstration) data are available, for example because demonstration implementation coincided with a coverage expansion to the population of interest, a difference-in-differences model is not possible. However, if the state stages (rolls out) implementation based a continuous beneficiary characteristic such as age or income, or varies policy according to a continuous beneficiary characteristic, a regression discontinuity design may be used.

BRFSS = Behavioral Risk Factor Surveillance System; ER = emergency room; IPUMS ACS = Integrated Public Use Microdata Series, American Community Survey version; n.a. = not applicable.