

# Medicaid & CHIP Leavers and Coverage Transitions: By Eligibility Category and Home & Community-Based Services (HCBS) 1915(c) Waiver Enrollment

March 31–December 31, 2023

# Overview

- This analysis looks at the impact of unwinding on different Medicaid/CHIP eligibility categories (e.g., people with disabilities, children, seniors, pregnant individuals, and adults) by evaluating individuals who left full benefit Medicaid/CHIP coverage in a given state for at least one day (“leavers”) from March 31, 2023 to December 31, 2023.
- It also looks more closely at leavers who were enrolled in Home and Community-Based Services (HCBS) Section 1915(c) waivers.
  - Section 1915(c) of the Social Security Act permits a state to waive certain Medicaid requirements in order to furnish an array of home and community-based services that promote community living for Medicaid beneficiaries and, thereby, avoid institutionalization.
  - These enrollees may have special eligibility considerations, and those who lose Medicaid coverage and subsequently re-enroll may have difficulty re-enrolling in their 1915(c) waiver program.

# Overview – Leavers by Eligibility Group

About 20.1M individuals (20% of unique enrollees) qualified as leavers during this period. Excluding those who died or enrolled in Medicaid/CHIP in another state, **the number of “leavers” was about 18.0M (18%) from March 31 to December 31, 2023.**

- As a reference point, 22% of full benefit Medicaid/CHIP enrollees lost coverage over a period of 12 months in 2018.<sup>1</sup>
- After accounting for new and re-enrollment, total enrollment declined by 8.6M from March 2023 to January 2024.<sup>2</sup>

Different eligibility categories showed wide variation:

- **Non-disabled non-elderly adults were the most likely to have left Medicaid/CHIP (11.8M total leavers), especially young adults aged 19–23** in child-specific eligibility groups (with 51% of these enrollees leaving Medicaid/CHIP during this period) and those in a **pregnancy-related** eligibility group (with 39% leaving Medicaid/CHIP).
- **Children under age 19 made up the second largest number of leavers (5.6M)**, reflecting the fact that they are the largest eligibility category (40% of total Medicaid/CHIP enrollment). At the same time, children had one of the lowest ratios of leavers to enrollment (14%) across all categories.
- **Aged and blind/disabled enrollees were less likely to be leavers compared to other eligibility categories**, with 8% and 7% of these categories leaving, respectively.

**Medicaid expansion had a meaningful impact on leaving rates.** Non-expansion state enrollees were 1.6 times more likely to be leavers than expansion state enrollees. This trend was most pronounced for young adults aged 19–23 in child-specific eligibility groups, those in pregnancy-related eligibility groups, and non-expansion adult enrollees.

<sup>1</sup> <https://www.medicaid.gov/resources-for-states/downloads/historic-loss-and-churn-07052023.pdf>.

<sup>2</sup> The 8.6M enrollment decline excludes Kentucky and Rhode Island (also excluded from the leavers data) and is based on the T-MSIS analytic files (TAF). The TAF enrollment totals differ slightly from the performance indicator enrollment used in the [monthly enrollment snapshots](#).

\* See the appendix for further definitions and methodology; eligibility category leaver counts and rates exclude death and moving to Medicaid/CHIP in a different state.

# Overview – Transitions by Eligibility Group

Looking at coverage transitions across different eligibility categories:

- **Children under age 19 were the most likely to churn back to Medicaid/CHIP<sup>1</sup>**, doing so at nearly double the rate of non-disabled, non-elderly adults.
- **Young adults aged 19–23 in a child-specific eligibility group were the least likely to re-enroll in Medicaid**, with many of these individuals likely falling in the coverage gap in non-expansion states.<sup>2</sup>
- **Non-disabled non-elderly adults were the most likely to transition to HealthCare.gov**, with non-expansion adults doing so at the highest rate.
- Nearly all of the aged leavers and 58% of blind/disabled leavers transitioned to Medicare<sup>3</sup> or passed away.

**Rates of churn back to Medicaid/CHIP, particularly among children, underscore the importance of policies that streamline renewals and promote continuous eligibility. These include, for example:**

- Adoption of federal strategies (Section 1902(e)(14)(A) waivers) that help eligible people renew their coverage.
- Providing 12 months or more of continuous eligibility to postpartum women and/or children.
- Using a Section 1115 waiver to provide continuous eligibility to additional populations such as individuals leaving incarceration or young adults.

<sup>1</sup> Leavers who this analysis identifies as returning to Medicaid/CHIP in the same state may reflect reinstatements or coverage restored as the result of a reconsideration period, depending on how each state reflects these actions in their T-MSIS data.

<sup>2</sup> Young adults aged 19–23 in a child-specific eligibility group generally aged out of a Medicaid or CHIP eligibility group available only to individuals under age 19, 20, or 21 between the start of the continuous enrollment condition in March 2020 and their renewal being completed after the continuous enrollment condition ended in March 2023. Some of these young adults would be eligible for non-child eligibility groups, especially the adult expansion group in states that have expanded Medicaid.

<sup>3</sup> Leavers who this analysis identifies as transitioning to Medicare may have been dually enrolled in Medicaid/CHIP and Medicare prior to their Medicaid/CHIP leaving event.

\* See the appendix for further definitions and methodology.

# Overview – Leavers and Transitions for HCBS 1915(c) Waiver Enrollees

Looking at leaving and transition patterns among enrollees in HCBS Section 1915(c) waivers in 36 states with sufficient data quality:

- About 97k (7%) of 1915(c) waiver enrollees in these states qualified as leavers during this period. Excluding those who died or enrolled in Medicaid/CHIP in another state, **the number of “leavers” was about 39k (3%) from March 31 to December 31, 2023.**
  - This value is lower than the comparable rate among the overall aged and blind/disabled populations that largely compose 1915(c) waiver enrollees.
- **Excluding individuals who were deceased, nearly all 1915(c) waiver leavers enrolled in Medicare.**
  - 48% of 1915(c) waiver leavers transitioned only to Medicare, and an additional 24% transitioned to Medicare and re-enrolled in Medicaid/CHIP.
- **Most (71%) of 1915(c) waiver leavers who re-enroll in full-benefit Medicaid/CHIP in the same state regain 1915(c) waiver enrollment.**
  - However, only 11% of 1915(c) waiver leavers return to full-benefit Medicaid/CHIP enrollment in the same state. As a result, this outcome is rare overall.

\* See the appendix for further definitions and methodology.

# Eligibility Group Analysis

# Enrollment and Leavers by Eligibility Category

	Unique Enrollees: Mar 31–Dec 31, 2023	Leavers, excluding death and moving to Medicaid/CHIP in another state	
		Count	Percent of Enrollees
<b>Total</b>	101.64M	17.97M	18%
<b>Young Adult (19–23)</b>	2.81M	1.43M	51%
<b>Pregnant</b>	2.21M	860K	39%
<b>Adult Non-Expansion</b>	13.37M	3.02M	23%
<b>Adult Expansion</b>	26.36M	5.63M	21%
<b>Child (&lt;19)</b>	40.69M	5.61M	14%
<b>Aged</b>	7.26M	580K	8%
<b>Blind/Disabled</b>	8.16M	560K	7%

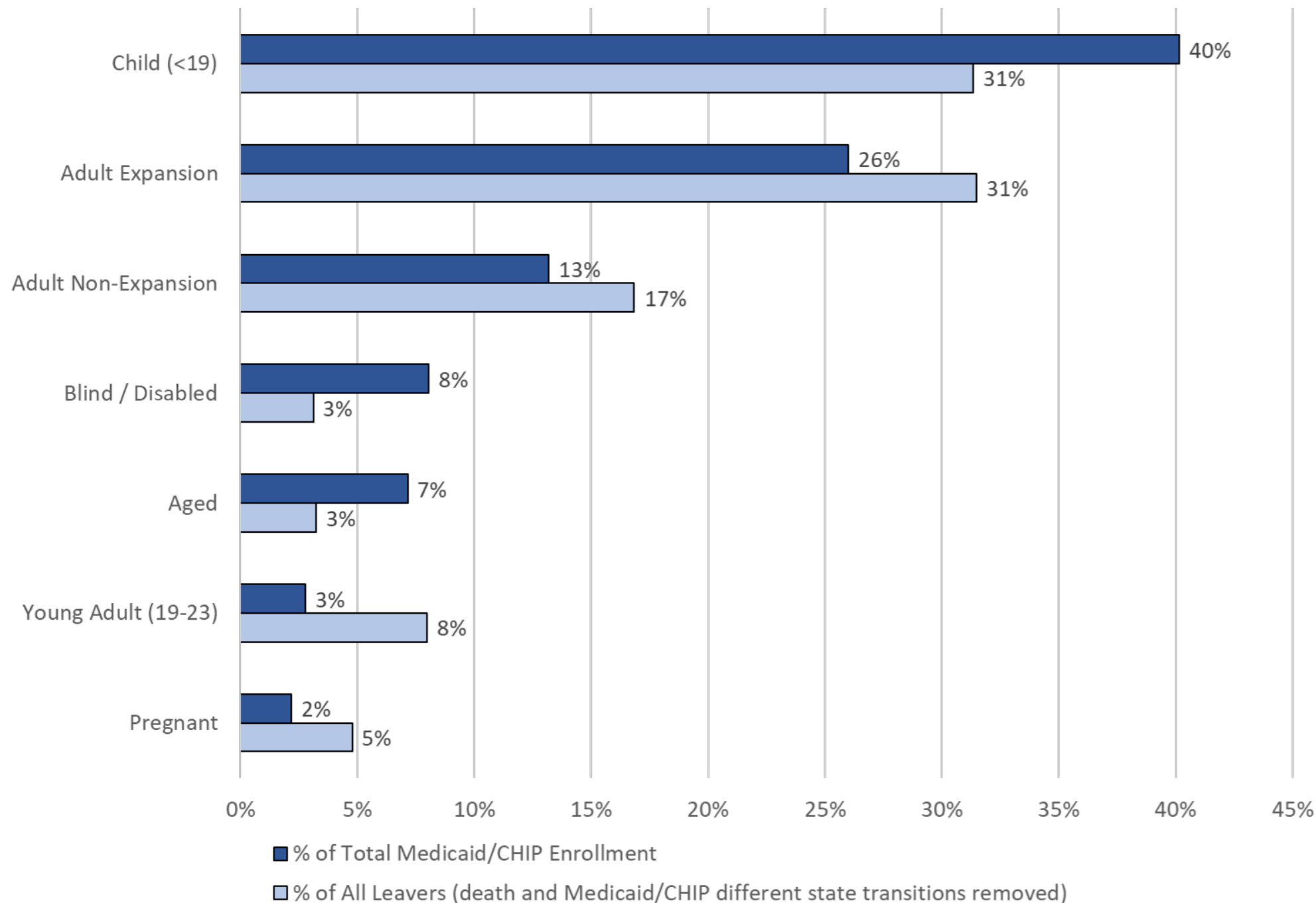
\* The sum of the eligibility categories is less than the total because of states that are included in the total but excluded in certain categories and a small number of enrollees without a valid eligibility category.

\*\* 11% (2.2M) leavers died or moved to Medicaid/CHIP in another state and are not reflected in this table.

- 18M people left full benefit Medicaid/CHIP in a given state for at least one day between March 31 and December 31, 2023, after accounting for deaths and moves to other state Medicaid programs.
- Non-disabled, non-elderly adults were the most likely to be leavers, especially young adults aged 19–23 in child-specific eligibility groups and enrollees in a pregnancy-related eligibility group.
  - This reflects the fact that many of these leavers no longer had categorical Medicaid/CHIP eligibility or moved into different eligibility categories with substantially lower income thresholds.
- Children under age 19 had a relatively lower rate of leavers to total enrollment (14% of enrollees) but accounted for the second largest number of leavers (5.6M), reflecting the fact that children under age 19 make up the largest eligibility category (40% of total enrollees).
- Aged and blind/disabled enrollees were much less likely to be leavers than the other categories. These categories collectively make up 15% of total Medicaid/CHIP enrollment.

# Distribution of Leavers by Eligibility Category and Total Enrollment

(excluding leavers who died or moved to Medicaid/CHIP in a different state)



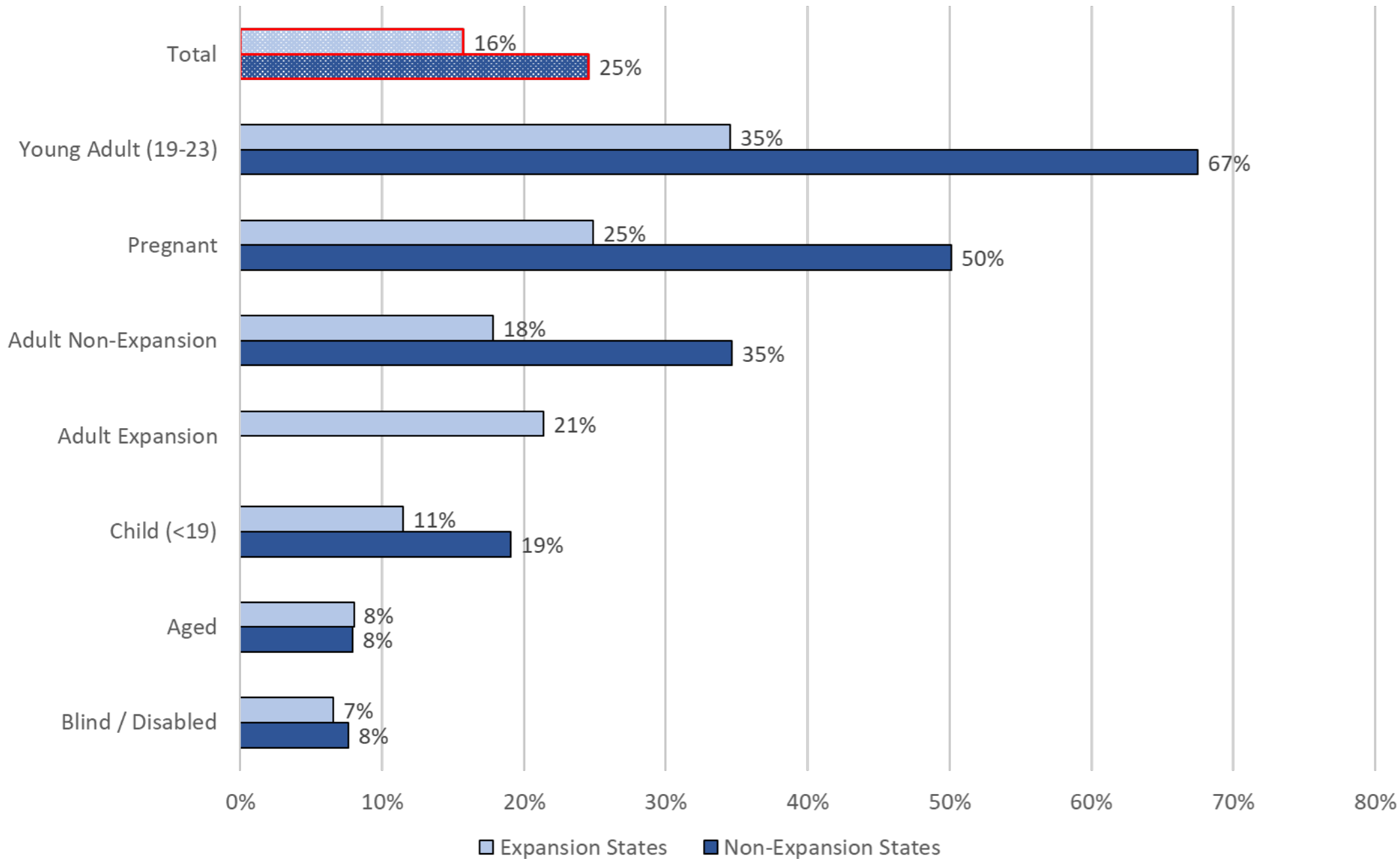
- This graph compares leavers by eligibility category to their share of total Medicaid/CHIP enrollment.
- The child <19, blind/disabled, and aged categories compose a larger share of enrollment than they do leavers; the reverse is true for the other eligibility categories.
  - Children under 19 are less likely to be leavers than non-disabled, non-elderly adults. However, children accounted for nearly a third of all leavers, reflecting their large share of total enrollment (40.7 million enrollees representing 40% of all enrollees).
  - Non-disabled, non-elderly adults make up 61% of disenrollments but only 44% of enrollment.
  - Aged and blind/disabled individuals make up 6% of disenrollments and 15% of enrollment.

**Sources:** TAF enrollment and leavers through December 31, 2023 (CA through November 30, 2023); TAF churn and transitions to Medicaid/CHIP in a different state through March 31, 2024 (CA through February 29, 2024) Medicare Beneficiary Summary File with enrollment through the end of April 2024; HealthCare.gov Marketplace operational data through May 19, 2024; Death Master File data through the end of May 2024. Kentucky and Rhode Island are excluded from the analysis due to data quality issues. Other states are excluded for data quality issues in certain eligibility categories: CT (blind/disabled), HI (pregnant), ME (aged and blind/disabled), NH (adult expansion).



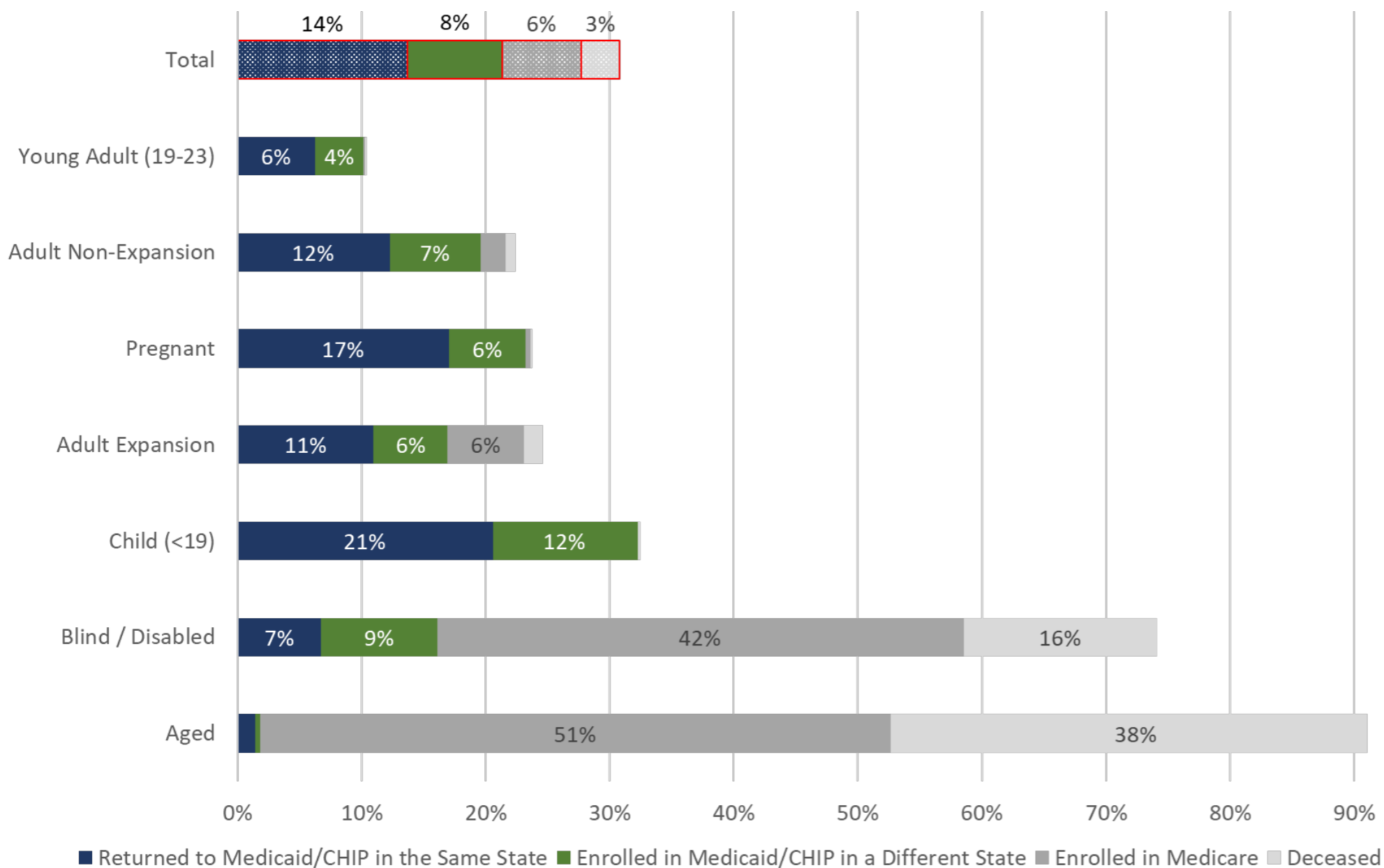
# Percent of Enrollees Who Are Leavers by State Medicaid Expansion Status

(excluding leavers who died or moved to Medicaid/CHIP in a different state)



- 25% of all enrollees in non-expansion states left Medicaid/CHIP during the relevant period, compared to 16% of enrollees in expansion states. **Non-expansion state enrollees were 1.6 times more likely to be leavers than expansion state enrollees.**
- This trend is the greatest for young adults aged 19–23 in child-specific eligibility groups, non-expansion adults, and enrollees in a pregnancy-related eligibility group, who are the most likely to have lost their categorical eligibility during the PHE or have an income that no longer qualifies them for any eligibility pathway in non-expansion states.
- While expansion status should not directly affect children under age 19 and blind/disabled enrollees, these categories also had higher leaving rates in non-expansion states.

# Percent of Leavers who Returned to Medicaid/CHIP, Transitioned to Medicare, or Died by Eligibility Category

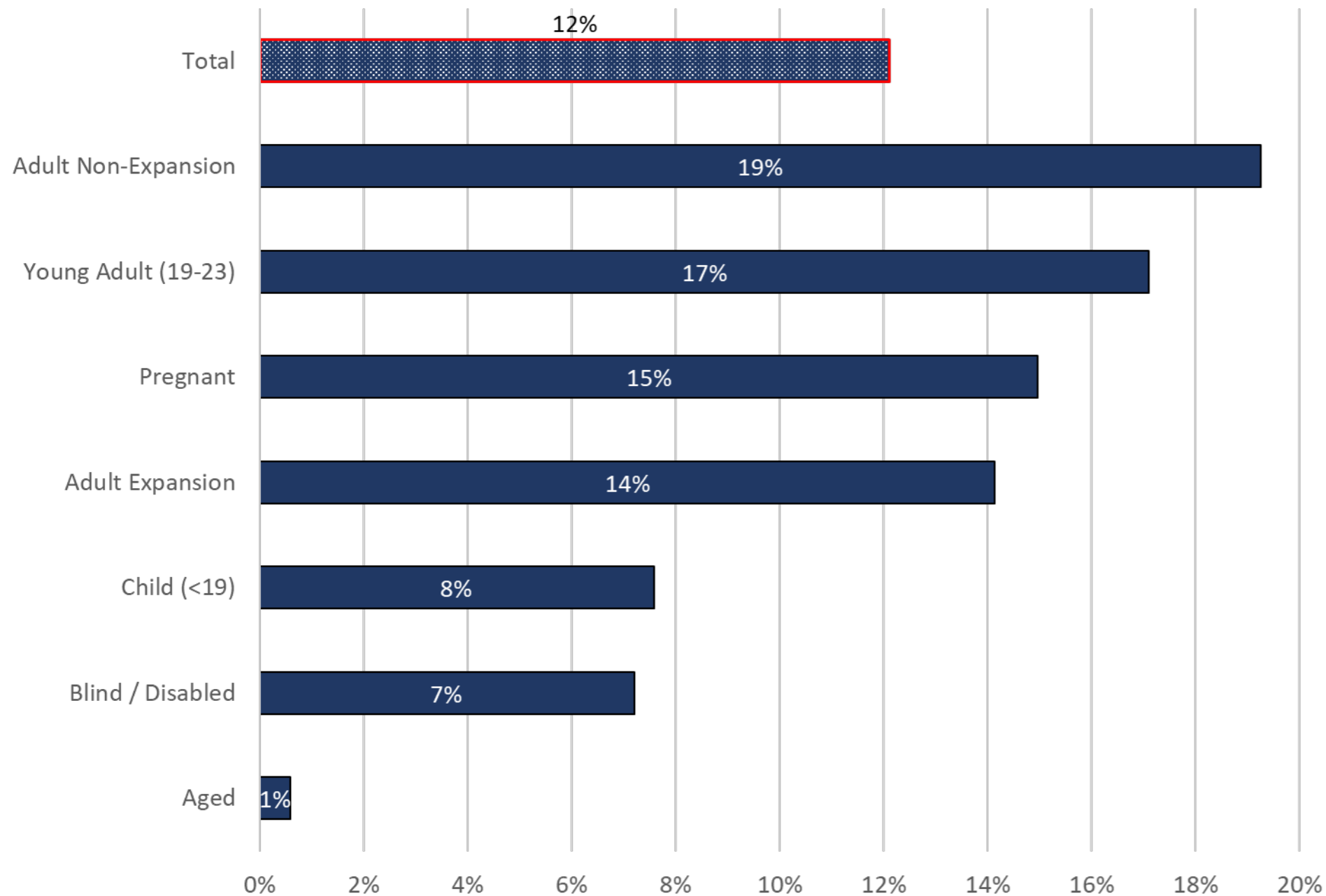


- CMS conducted a limited analysis of leavers' coverage transitions that includes transition types for which relatively complete data was available.
- 31% of leavers (re-)enrolled in Medicaid/CHIP in the same or a different state, enrolled in Medicare, or died.
- Children under age 19 were the most likely to return to Medicaid/CHIP in the same state or enroll in Medicaid/CHIP in a different state\*\* (doing so at a rate nearly double non-disabled, non-elderly adults in both cases).
  - More than 2 million child leavers re-enrolled in Medicaid/CHIP
- Enrollees in a pregnancy-related eligibility group were the next most likely to churn back to Medicaid in the same state, largely due to certain states implementing 12-month postpartum coverage and reinstating or reenrolling individuals into this extended coverage.
- Nearly all aged leavers and 58% of blind/disabled leavers transitioned to Medicare or died.

\* The percents shown represent the percent of total leavers. Transitions to Marketplace and other commercial coverage, including employer sponsored insurance, are not included on this chart because person-level data for these transition types was incomplete or not available nationally.

\*\*All leavers had at least 3 months to churn back to Medicaid/CHIP, although leavers who left earlier had longer.

# Percent of Leavers Who Selected a HealthCare.gov Plan by Eligibility Group (Among Leavers in HealthCare.gov States)



- Among leavers who were disenrolled from Medicaid/CHIP in the 32 states using HealthCare.gov for the 2024 coverage period, 12% selected a HealthCare.gov Marketplace plan.\*\*
- Non-disabled, non-elderly adults were the most likely to transition to a HealthCare.gov Marketplace plan. Non-expansion adult leavers did so at the highest rate.
- Children under age 19 and blind/disabled leavers were approximately half as likely to select a HealthCare.gov Marketplace plan as non-disabled, non-elderly adults.
  - Children generally have higher Medicaid/CHIP income thresholds than non-disabled, non-elderly adults, suggesting that many child leavers are likely eligible for smaller Marketplace subsidies.

\*\* This analysis does not capture leavers who move between states using HealthCare.gov and State-based Marketplaces (i.e., leavers who had Medicaid/CHIP enrollment in a state using HealthCare.gov and select a Marketplace plan in a State-based Marketplace, or leavers who had Medicaid/CHIP enrollment in a state using a State-based Marketplace and select a Marketplace plan on HealthCare.gov).

61% of all leavers had Medicaid/CHIP enrollment in a state using HealthCare.gov.

\* This slide includes only leavers from states using HealthCare.gov due to data limitations. The previous slide includes all states with usable data quality.

# HCBS 1915(c) Waiver Analysis

# 1915(c) Waiver Enrollment and Leavers by Eligibility Category

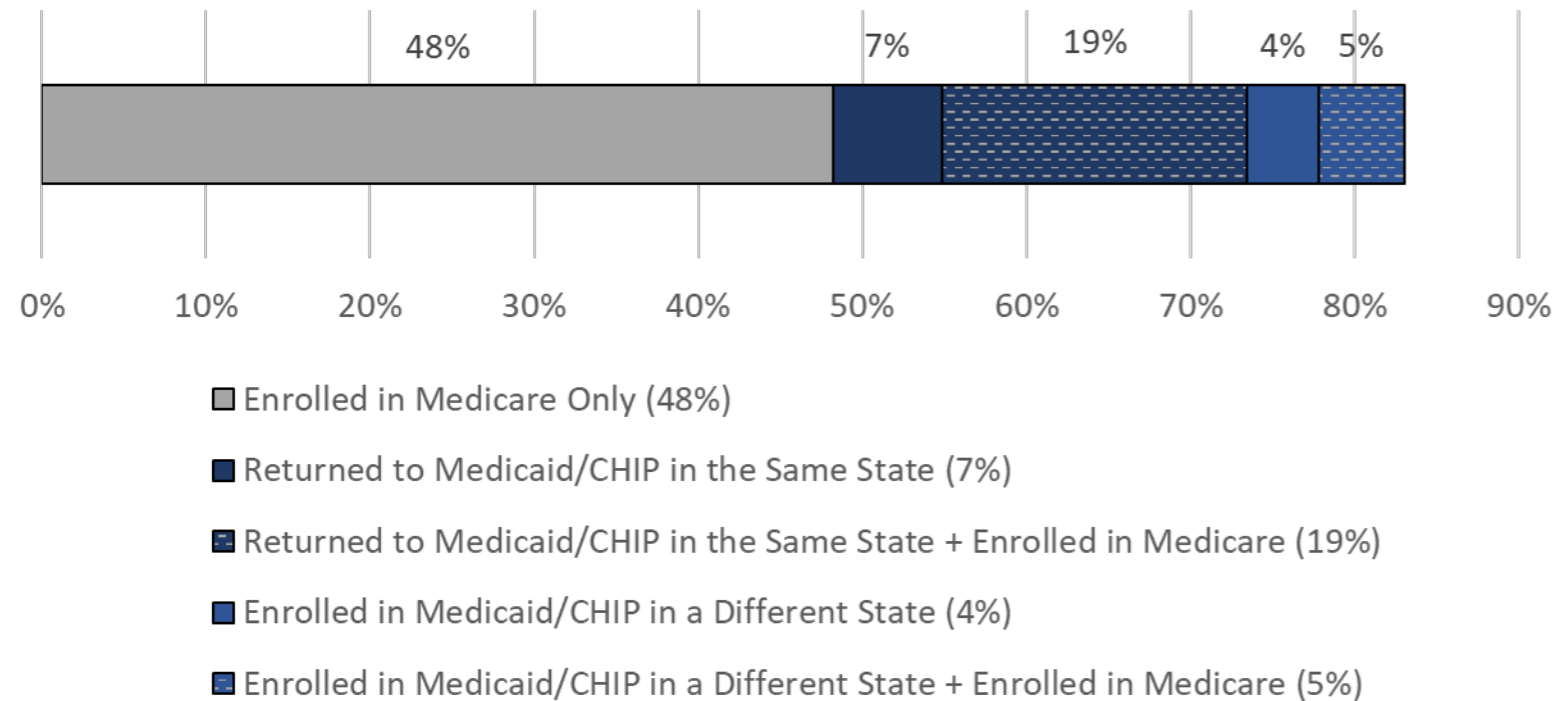
	Unique 1915(c) Waiver Enrollees: Mar 31–Dec 31, 2023	1915(c) waiver leavers, excluding death and moving to Medicaid/CHIP in another state	
		Count	Percent of Enrollees
<b>Total</b>	1.42M	38.6K	3%
<b>Young Adult (19–23)</b>	4.1K	0.3K	8%
<b>Pregnant</b>	0.2K	<0.1K	6%
<b>Adult Non-Expansion</b>	28.4K	0.7K	2%
<b>Adult Expansion</b>	32.0K	1.6K	5%
<b>Child (&lt;19)</b>	53.7K	2.1K	4%
<b>Aged</b>	483.6K	19.0K	4%
<b>Blind/Disabled</b>	817.0K	14.7K	2%

- In the 36 states with sufficient 1915(c) waiver data quality, there were 1.42M individuals enrolled in a HCBS 1915(c) waiver from March to December 2023.
  - Nearly all (92%) of 1915(c) waiver enrollees belonged to an aged or blind/disabled eligibility group.
- 3% (38.6K) of these 1915(c) waiver enrollees left full benefit Medicaid/CHIP in a given state for at least one day between March 31 and December 31, 2023, after accounting for deaths and moves to other state Medicaid programs.
- Leaving rates for 1915(c) waiver enrollees were lower than the general Medicaid/CHIP population in all eligibility categories, and generally followed the same trends, ranging from a low of 2% in the blind/disabled category to a high of 8% for young adults aged 19–23 in child-specific eligibility groups.

\* This analysis includes only information from 36 states identified in the Appendix with no identified 1915(c) waiver data quality concerns for 2023.

\*\* 60.2% (58.4K) of 1915(c) waiver leavers died or moved to Medicaid/CHIP in another state and are not reflected in this table.

# Percent of 1915(c) Waiver Leavers who Returned to Medicaid/CHIP or Transitioned to Medicare



\*This analysis includes only information from 36 states identified in the Appendix with no identified 1915(c) waiver data quality concerns for 2023.

Excluding the 56% of 1915(c) waiver leavers who were deceased:

- Most (72%) leavers enrolled in Medicare.
  - 48% of 1915(c) waiver leavers transitioned to Medicare only.
  - 24% of 1915(c) waiver leavers transitioned to Medicare and re-enrolled Medicaid/CHIP in the same state or moved to Medicaid/CHIP in a different state.
- By contrast, fewer (11%) leavers returned to Medicaid without Medicare coverage.

# Waiver Retention Among 1915(c) Waiver Leavers Who Returned to Medicaid in the Same State

- Among 1915(c) waiver leavers who returned to Medicaid in the same state, most (71%) re-gained waiver coverage within the same year.
  - In the 36 states included in this analysis, 8.2k 1915(c) waiver leavers re-gained full-benefit coverage in the same state.
  - Of these individuals, 5.8k (71%) re-enrolled in at least one of the 1915(c) waiver(s) they were enrolled in prior to leaving.
  - The small size of these populations reflects both the low leaving rate among 1915(c) waiver enrollees as well as the low Medicaid return rate within the population of 1915(c) waiver leavers.
- CMS recently released [guidance](#) that highlights strategies to facilitate reenrollment in HCBS programs.
  - Strategies include reserving HCBS waiver capacity to accommodate the return of eligible individuals who have lost coverage, prioritizing entrance to the HCBS program for individuals who experience a gap in coverage, and allowing “provisional” service plans to expedite the initiation of waiver services for individuals who reenroll.

\* This analysis includes only information from 36 states identified in the Appendix with no identified 1915(c) waiver data quality concerns for 2023.

# Appendix



# Appendix: Background

- This brief uses T-MSIS Analytic Files (TAF) to look at Medicaid and CHIP enrollment, “leavers,” and coverage transitions by eligibility category.
  - The TAF includes information on effective start and end dates for Medicaid and CHIP enrollees, along with information about enrollees’ benefit status, eligibility category, and age. Using this information, TAF data can identify when an enrollee has disenrolled from Medicaid or CHIP, which eligibility group they disenrolled from, and their age at the time of disenrollment.
  - More information about TAF is available on [Medicaid.gov's TAF page](#).
- “Leavers” are defined as enrollees who lost full benefit Medicaid or CHIP coverage in a given state for at least 1 day. These leavers:
  - Include those who were disenrolled, died, or switched to limited benefit coverage
  - May have continuous coverage with Medicaid/CHIP in another state or another source of coverage
  - Do not include those transitioning between Medicaid and separate CHIP programs
  - May or may not include enrollees who have their Medicaid or CHIP coverage reinstated, depending on how a state reflects reinstatements in their T-MSIS data
  - Are only counted one time, even if they had multiple leaving events during the analysis’s time period
- Leavers without an identifiable coverage transition are not necessarily uninsured.
  - The following datasets are used to track as many coverage transitions and deaths as possible: Medicare Master Beneficiary Summary File, HealthCare operational data, and the Social Security Administration’s Death Master File.
  - Matching between data sources, including between states within the TAF, largely relies on SSN and date of birth, although other identifiers and demographic information are used in some cases. There is significant variation across states regarding the completeness of enrollee identifiers, and all the data sources have some level of missing or incorrect identifiers, which results in incomplete matches.
  - Data from State-based Exchanges using their own eligibility and enrollment platform is not currently available for tracking transitions. Therefore, data on Marketplace transitions reflects only states using HealthCare.gov.

# Appendix: Background *(continued)*

- Enrollees and leavers are placed into the following eligibility categories:
  - Child (<19): Individuals ages 0-18 who are not in a blind/disabled or pregnancy-related eligibility group
  - Young Adult (19-23)\*: Individuals ages 19-23 who are in a child-specific eligibility group
  - Adult Expansion\*: Individuals ages 19+ in a title VIII eligibility group for otherwise ineligible adults with income  $\leq$  133% FPL
  - Adult Non-Expansion\*: Individuals ages 19-64 who are not in a blind/disabled, pregnancy-related, or title VIII eligibility group; includes the parent/caretakers group as well individuals  $>133\%$  FPL in DC (through title XX) and OR (through a temporary expansion until their BHP begins)
  - Pregnant\*: Females ages 0-59 in a pregnancy-related eligibility group
  - Blind/disabled: Individuals ages 0-64 in a blind/disabled eligibility group (e.g., SSI recipients) or individuals of any age in a working disabled group
  - Aged: Individuals ages 65+ who are not in a working disabled group
    - \* The young adult child, adult expansion, adult non-expansion, and pregnant categories are collectively referred to as “non-disabled, non-elderly adults”
- Certain states are excluded due to significant T-MSIS data quality issues that affect accurate identification of leavers or enrollees overall or in particular eligibility group types:
  - KY and RI are excluded entirely
  - Other states are excluded for certain eligibility categories: CT (blind/disabled), HI (pregnant), ME (aged and blind/disabled), NH (adult expansion)
  - State-funded enrollees who do not qualify for Medicaid/CHIP (e.g., due to immigration status) are included in the results for states that report those enrollees in –MSIS
- The timeframe for leavers and transitions varies by state and data source.
  - TAF Medicaid/CHIP enrollment through March 31, 2024 (CA through February 29, 2024) and leavers through December 31, 2023 (CA through November 30, 2023)
  - Medicare Beneficiary Summary File with enrollment through the end of April 2024
  - HealthCare.gov Marketplace operational data through May 19, 2024
  - Death Master File data through the end of May 2024
  - Note: For all non-TAF data sources, California’s data has an additional one-month lag.

# Appendix: HCBS 1915(c) Waiver Methodology

- 1915(c) waiver enrollees are defined as individuals who were enrolled in a 1915(c) waiver for at least one month from March to December 2023. They were identified using the TAF demographic & eligibility and other services claims files, following the [methodology available on the DQ Atlas Resources page](#).
  - Depending on data quality, either the demographic & eligibility or the other services claims file was chosen as the source of enrollment for each state. When both file types had sufficient data quality, the other services claims file was used.
- A state had sufficient data 1915(c) waiver TAF data quality if it met the following criteria:
  - 1915(c) waiver enrollment represented a reasonable percent of total enrollment,
  - Only a small percent of 1915(c) waiver enrollees were enrolled in multiple 1915(c) waivers,
  - 1915(c) waiver enrollment was reasonably close to the enrollment in the latest available [CMS 372 report](#),
  - 1915(c) waiver enrollment in 2020 was reasonably close to the [KFF survey of state officials administering Medicaid HCBS programs](#), and
  - 1915(c) waiver enrollment in 2023 aligned with approved, active waivers for 2023
- The following states were excluded from the 1915(c) waiver analysis due to program features or TAF data quality issues that affect accurate identification of 1915(c) waiver enrollees:
  - NJ, VT, AZ, and RI do not have active 1915(c) waivers.
  - AL, DE, FL, ID, IN, LA, NC, NJ, OR, PA, RI, SC, and WA were excluded due to data quality concerns.
- This analysis does not examine leaving and transition patterns among non-1915(c) waiver individuals, such as those who receive HCBS under an 1115 waiver only.