Every American should have the peace of mind that comes with access to affordable, quality health care. 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 people losing health coverage during the Medicaid renewals process and will do everything in its power to keep Americans enrolled in comprehensive health care coverage.

Since the start of this year, the Centers for Medicare & Medicaid Services (CMS) has already taken action to require states to comply with federal requirements and fix problems and systems issues. As described below, when CMS has identified problems, we have worked with states to pause certain terminations, reinstate coverage, and implement systems changes immediately.

CMS urges states to take up all our strategies to help eligible people renew their coverage through Medicaid or the Children’s Health Insurance Program (CHIP), or, for those who are no longer eligible, help them transition to other forms of coverage, including the Health Insurance Marketplace®¹, Medicare, or employer-sponsored coverage.

Congress Gave CMS Significant Authority to Ensure States Comply with Federal Requirements

Under the Consolidated Appropriations Act, 2023 (CAA, 2023), Congress required states to submit certain data to CMS on a monthly basis and also gave CMS a range of new authorities to ensure state compliance with federal requirements. These tools included new conditions of eligibility for enhanced federal funding. They also included certain enforcement tools, including corrective action plans (a step-by-step plan of action to achieve a specific goal, like executing eligibility renewals aligned with federal requirements). If a state fails to implement the corrective action plan, CMS can then require the state to pause certain eligibility terminations and impose financial penalties.

Monitoring and Oversight

By actively monitoring for problems, CMS is taking quick action to resolve them and reduce the number of people losing Medicaid and CHIP coverage unnecessarily. To this end, CMS has developed a multi-pronged data monitoring strategy to:

¹Health Insurance Marketplace® is a registered trademark of the Department of Health & Human Services.
1. **Monitor state progress:** CMS is using state data, as well as information received from advocates, press reports, providers, and others, to support early identification of renewal and eligibility processing and transition issues. Through this monitoring, CMS is well-positioned to catch and resolve problems quickly.

2. **Take action when needed:** Where CMS finds a violation of federal requirements, we are using our legal authority to require the state to resolve it, as described below.

3. **Provide technical assistance:** When issues are identified, CMS is here to provide states with immediate and intensive technical assistance. CMS is actively working with states to troubleshoot issues, improve the accuracy of the data being reported, and take steps to help people keep the coverage for which they are eligible.

### Action to Ensure States’ Compliance with Federal Requirements

**Where states are not complying with federal requirements, we are taking action to prevent eligible people from losing coverage.** This action can include requiring states to pause terminations, reinstate coverage, adopt strategies to support individuals through the renewal process, and address systems issues – and if they don’t, they will risk losing the state’s enhanced federal funding.

For example, if CMS and a state identify a problem with a state’s eligibility system that violates federal requirements, **CMS will communicate to the state that its enhanced federal funding will be withheld if the state does not ensure the issue is fully resolved.** This step generally requires states to a) stop disenrolling people for procedural reasons (e.g., solely because they did not return their renewal form) if they were impacted by the systems issue, b) reinstate coverage for those impacted by the systems issue, c) adopt strategies to address the area of noncompliance, and d) work toward full compliance.

Under the CAA, 2023, states must comply with all federal Medicaid renewal requirements (or alternative procedures approved by CMS) as a condition to receive increased funding for the rest of 2023. **To facilitate state compliance with these requirements, CMS worked with states to adopt mitigation strategies,** as appropriate, to ensure states have processes in place that address the specific areas of non-compliance. **If CMS finds that a state violates any of these mitigation strategies during the renewal process, CMS is taking action** as described below. As of April 1, 2023, 35 states had approved mitigation plans from CMS. CMS has released a summary of state mitigation plans, which can be found [here on Medicaid.gov](https://medicaid.gov).

### Troubleshooting and Resolving Policy, Operational, and Compliance Issues

As of July 2023, CMS has worked with multiple states to resolve renewal systems and process issues without requesting a corrective action plan. However, **if a state fails to address a violation of federal requirements without a corrective action plan, CMS will not hesitate to take action,** including using the authorities established by Congress, to ensure individuals’ coverage is protected to the maximum extent permitted by law.

**Examples of resolved policy, operational, or compliance challenges include:**

- A state was not providing some groups of enrollees with Medicaid renewal forms, which violates program rules. CMS was made aware of this issue through stakeholder engagement. CMS followed up with the state, confirmed that there was an issue, and ensured that the state is correcting the process.

- An additional state recently paused some procedural terminations and reinstated coverage for those terminated inappropriately, based on review of data that indicated that the state had not implemented required auto-renewal mitigation strategies. The state is renewing individuals based on eligibility for the Supplemental Nutritional Assistance Program (SNAP) at CMS’ direction, as required under the state’s mitigation plan.
Another state recently paused terminations, reinstated coverage for inappropriately terminated individuals, and is taking additional time to conduct targeted outreach.

### Data Reporting Support

As of July 2023, CMS has worked with **nearly all states** to resolve data reporting issues to accurately reflect states’ renewal processes and unwinding timelines. For example:

- One state corrected four months of incorrect enrollment data and began reporting to specification based on CMS’ observation that enrollment declines in April 2023 appeared larger than expected.

- Another state experienced reporting issues, which required that CMS exclude the state’s data from national-level Modified Adjusted Gross Income (MAGI) application processing time reporting. Since working with CMS, the state will begin accurate reporting of MAGI application processing time data in July 2023.

### Systems Improvement Support

As issues come up, **CMS is also helping states by providing direct technical assistance on isolated issues related to Medicaid renewals.** These include helping with:

- State adoption of new waivers and strategies (including state plan amendments or section 1902(e)(14)(A) strategies) to support accurate renewals that help eligible people maintain Medicaid coverage and help others transition to other forms of coverage.

- State support of coverage transitions from Medicaid or CHIP to the Health Insurance Marketplace®.

- State collaboration with managed care plans (MCPs) and health care providers who can support states’ efforts on targeted outreach, since MCPs and providers have the data states need to conduct targeted outreach and help enrollees renew their coverage or get connected to other forms of coverage.

- Understanding the extensive guidance CMS has released on federal requirements.

- Continually urging states not to rush the renewal process and to spread Medicaid renewals over a 12-month period, which nearly all states are doing.

- Increasing the number of auto-renewals ("ex parte" rates) based on information from other programs, like SNAP, which minimizes the need for families to provide duplicate information to Medicaid agencies to retain their benefits.