REDUCING COVERAGE LOSS:
A 2023 UPDATE ON THE END OF THE FEDERAL CONTINUOUS COVERAGE REQUIREMENT IN MASSHEALTH

ISSUE BRIEF
MARCH 2023

INTRODUCTION

Like all states, Massachusetts received enhanced federal Medicaid funding under the *Families First Coronavirus Response Act (FFCRA)*, the first major federal stimulus package passed by Congress in response to the COVID-19 crisis in 2020.[1] As a condition of receiving these funds, Massachusetts was required to maintain continuous coverage in MassHealth (the name for Massachusetts' Medicaid program and Children's Health Insurance Program [CHIP])[2] during the federal COVID-19 public health emergency. Continuous coverage means that once someone has established their MassHealth eligibility, they remain enrolled in MassHealth regardless of changes in their circumstances (e.g., a change in income or household size) that may otherwise impact eligibility.[3] The continuous coverage requirement, which applies to individuals enrolled in Medicaid as of March 18, 2020, or who were determined eligible on or after that date, has allowed people with lower income to retain Medicaid coverage and get needed health care during the COVID-19 pandemic.

Due in part to the continuous coverage requirement, MassHealth enrollment has grown considerably during the COVID-19 pandemic. From February 2020 through January 2023, total MassHealth enrollment grew by 25.4 percent, from 1,757,221 to 2,355,790 members.[4]

In December 2022, Congress passed the *Consolidated Appropriations Act, 2023* which established March 31, 2023 as the end date of the continuous coverage requirement and a gradual phase-down for the enhanced federal funding through 2023.[5] This means MassHealth will resume its redetermination process for all pending renewals beginning April 1, 2023. As a condition of receiving the enhanced funding for the remainder of 2023, MassHealth must: (1) comply with the federal regulatory renewal requirements[6]; (2) attempt to obtain up-to-date contact information—mailing address, telephone number and email address—for each member prior to redetermining eligibility; and, (3) make a good faith effort to contact an individual for whom the state receives returned renewal mail using two separate modalities (e.g., email, telephone, text, online account). MassHealth is also required to report to the Centers for Medicare & Medicaid Services (CMS) monthly data on eligibility and renewal processes for Medicaid, CHIP, and Marketplace coverage including the number of members renewed, the number of members whose Medicaid or CHIP coverage was terminated, the basis for the termination, the number of members transferred to the Marketplace, and of those, the number who were enrolled in Marketplace coverage.

Since the federal continuous coverage requirement will expire at the end of March, MassHealth is preparing to redetermine eligibility for all members starting April 1, 2023. For more information on MassHealth's typical redetermination process, see the text box above. As MassHealth begins to redetermine eligibility for a considerable volume of members, there is a risk that some individuals who remain eligible for coverage will become uninsured. This is a particular concern for individuals whose MassHealth eligibility cannot be verified using available data sources, and who do not receive or are otherwise unable to respond to MassHealth's requests for updated eligibility information. Others may be determined ineligible for MassHealth, but may be eligible for subsidized coverage through the Massachusetts Health Connector, the Commonwealth's health insurance Marketplace. These people risk becoming uninsured if they do not successfully enroll in coverage through the Health Connector, which may require

OVERVIEW OF MASSHEALTH'S RENEWAL, OR "REDETERMINATION," PROCESSES

After the federal continuous coverage requirement ends, Massachusetts and other states will return to their standard renewal, or "redetermination," processes. Federal rules require that states conduct a renewal of Medicaid or CHIP coverage no more frequently than once every 12 months.

Under its standard renewal process, MassHealth conducts an annual "redetermination" for each of its members. It does so first by attempting to redetermine member income eligibility based on available income data sources. If the member's income cannot be verified or if the member does not appear income eligible based on these data sources, MassHealth sends (via mail) a renewal form for the member to complete and return. This is sometimes followed by a request for documentation (e.g., income or immigration status). If the member does not return the form and any required documentation to establish their continued eligibility within the timeframe provided, their coverage is terminated. In addition to the annual "redetermination" process, members are expected to notify MassHealth of any changes in their income or household composition so that their eligibility can be redetermined.

MASSACHUSETTS FOUNDATION | MMPI MASSACHUSETTS MEDICAID POLICY INSTITUTE | manatt

Patti Boozang
Kinda Serafi
Hannah Wagner
Manatt Health

providing additional information, and will require selecting a plan and for some individuals, paying a premium.

PROCESSING THE HIGH VOLUME OF REDETERMINATIONS WILL CREATE A COVERAGE LOSS RISK

Redeterminations have always been a point of coverage loss for some members, including for people who remain eligible for coverage. For example, an individual may continue to be income eligible for MassHealth but never reply to the state's request for documentation of such eligibility, and therefore they are disenrolled from coverage. When someone loses coverage not because they are no longer eligible but because they failed to return the required paperwork, it is called an "administrative" or "procedural" termination. Prior to the public health emergency, nationally, one in ten Medicaid/CHIP members experienced "churn," where they were disenrolled from coverage for administrative reasons and then re-enrolled in less than one year, many in less than six months.[7] Coverage gaps have been shown to reduce access to preventive and primary care, increase unmet health care needs, and result in disruptions in continuity of health care services.[8]

Per federal regulations, upon resuming renewal processes, MassHealth will re-evaluate member eligibility based on available data sources (e.g., quarterly wage, Social Security Administration, and Internal Revenue Service data[9]) before requesting any information from members. When a state is able to renew someone's coverage using existing data sources, without requiring paperwork or documentation from that person, it is known as an "ex-parte renewal."[10] Massachusetts, like most states, is able to redetermine eligibility for a subset of members using the ex-parte process and, for the remaining members, must rely on a paper-based process through which the state sends members a renewal form and requests follow-up action within a prescribed period of time.[11] In some cases, members do not receive the renewal form, do not understand what is being asked of them, and/or do not return the renewal forms in time to ensure continued coverage.

Several factors have the potential to create a "perfect storm" that puts eligible individuals at risk of losing coverage: MassHealth's significant enrollment growth over the past three years, the likelihood of a high volume of returned mail as a result of individuals who have changed addresses during the pandemic, and a membership that—after three years of the continuous coverage requirement—are not accustomed to needing to take action in order to retain coverage.

The risk of coverage loss at redetermination may be especially acute for people of color. This is because people of color were disproportionately impacted by changes in circumstances related to employment, income, and housing during the pandemic,[12] and this heightens the risk that when MassHealth compares the information it has on file against available data sources (which typically have more current information), there may not be a match. This leaves MassHealth more reliant on sending paper notices requesting member income information, and reliance on paper notices increases the risk that materials are not received and/or returned.

People who are homeless are also at increased risk, because MassHealth will experience challenges locating these members to make them aware of the redetermination requirements.[13] The risk of coverage loss may also be heightened for people who do not speak English or who otherwise require hands-on assistance with their renewal forms, as they may not understand the requests from MassHealth and/or may have trouble responding.

MASSHEALTH'S STRATEGIES TO MAINTAIN COVERAGE AS IT RESUMES REDETERMINATION PROCESSES

MassHealth has developed and is deploying a multi-prong plan to increase outreach to members. As part of its plan, MassHealth is working with key partners, including community-based organizations and managed care plans, to prepare for the end of the federal continuous coverage requirement and get the word out about the importance of updating eligibility information and responding to requests for information related to redeterminations.

- **Processing Pending Redeterminations Over a 12-Month Period.** CMS released guidance that describes timelines and obligations for states to "unwind" the federal continuous coverage requirement.[14] The guidance attempts to help mitigate coverage disruptions and address backlogs by giving states a "12-month unwinding period" to initiate pending verifications, redeterminations, and renewals for their Medicaid and CHIP caseloads.[15] During this 12-month unwinding period, states can conduct redeterminations in a way that spreads the workload over a longer timeframe rather than attempt to redetermine coverage in a compressed time period.

  To mitigate coverage loss, MassHealth has taken advantage of the 12-month unwinding period permitted by CMS, with redetermination processes beginning on April 1, 2023. Starting in April, MassHealth will take a time-based approach where it will be processing the oldest pending cases first.

  MassHealth will also incorporate a population-based approach to sequencing renewals. Throughout the continuous coverage period, MassHealth has completed the renewal process for individuals who continue to be eligible based on available data sources—in other words, MassHealth has completed ex-parte renewals when it can, sent renewal forms to those who could not be renewed

through the ex-parte process, and, in line with federal requirements, has simply continued coverage for those who cannot be redetermined eligible based on those steps.[16] In the first nine months of the 12-month unwinding period, MassHealth will prioritize members who did not respond to requests for information or who appeared to be ineligible as part of this on-going renewal process during the continuous coverage period. All individuals who have had their coverage successfully renewed within the last twelve months will have their eligibility redetermined at their next regularly scheduled renewal date (typically twelve months after their last renewal).

- **Enhancing the Renewal Verification Process.** MassHealth already embraces best practices for conducting ex-parte renewals by using robust data sources for income verification. Increasing ex-parte renewals will reduce the number of people for whom the agency needs to send requests for additional information. To further increase the number of redeterminations processed ex parte, MassHealth adjusted its income reasonable compatibility threshold—the permissible difference between an individual's attested income and available income data—from 10 percent to 20 percent. Several states including Connecticut, New Jersey, and Illinois have also increased their reasonable compatibility thresholds to increase their ex-parte renewal rates and limit the number of touch points with members, especially given workforce constraints and income data sources that aren't always up to date.[17]

- **Investing in Community-Level Outreach.** Leveraging federal funds from the *American Rescue Plan Act*, which was signed into law in March 2021 with the goal of getting money into states to start building towards recovery from the effects of the COVID-19 pandemic, Massachusetts' state Legislature allocated $5 million in funding to support a community-based outreach and education campaign on the redetermination process.[18] This campaign, led by Health Care For All (HCFA) Massachusetts, aims to help eligible individuals keep their health insurance coverage. Committed to a linguistically and culturally appropriate campaign, HCFA intends to support the redetermination process through four-strategies: (1) leveraging well-established community and faith-based organizational partnerships to conduct outreach to individuals where they live and work; (2) conducting one-on-one outreach by canvassing in communities that have the highest potential risk of coverage loss; (3) launching a local ethnic media campaign; and (4) conducting presentations to plans, community health centers, and other stakeholders, and providing communication materials that stakeholders can share with their patients and members. HCFA has made these communications materials available in nine languages. Further, MassHealth and HCFA are exploring additional opportunities to provide financial support for approximately fifteen community-based organizations in target communities to increase the number of Certified Application Assisters (CACs). These agencies will offer assistance to individuals who need help with Medicaid and CHIP applications or renewals.[19] These new CACs will also support MassHealth members with the completion of their renewals in areas of the state designated as "CAC deserts" through mobile operations (a van with CACs that will be driven to those communities on a regular basis).

- **Partnering with Medicaid Managed Care Plans.** Partnering with managed care plans, integrated care organizations,[20] and accountable care organizations (ACOs) in supporting the eligibility redetermination process has been a long-standing practice in Massachusetts, even before the public health emergency. To ready the managed care plans, integrated care plans, and ACOs for the unwinding period, MassHealth is holding one-on-one meetings and facilitating open office hours to answer questions related to their unwinding roles and responsibilities. MassHealth will send weekly rosters of individuals who are due for redetermination to all of its managed care plans, integrated care plans, and ACOs.[21] Upon receipt of those rosters, plans are required to make at least two outbound calls to members to obtain updated contact information, ensure members are aware that they are due to renew their coverage, and remind members to complete renewal forms, if they receive them. Plans that receive updated contact information from members will share this information with MassHealth which will in turn update member contact information in the eligibility system.[22]

- **Deploying a Communications and Outreach Strategy.** MassHealth is taking a number of steps to conduct outreach to its members in order to prepare them for the upcoming renewal process, including additional actions to ensure that MassHealth has the most up-to-date contact information for its members. MassHealth revised its call center scripts to include requests for an updated mailing address and telephone number as part of any interaction when members contact the call center. MassHealth is also deploying a social media strategy encouraging individuals to update their contact information if they haven't already. In addition, when renewal notices are sent to individuals, MassHealth plans to use blue envelopes to catch members' attention. To comply with enhanced federal funding conditions, MassHealth will also conduct outreach via text messaging and email when it receives returned mail from members.

As part of its outreach strategy, MassHealth intends to tailor its communication and messaging approach based on linguistic and cultural needs and focus its outreach efforts in communities where there will be disproportionately higher rates of redeterminations. MassHealth has also identified five priority populations, for which it has developed targeted communications plans. The priority populations include individuals who are 65 years of age or older, individuals with disabilities, individuals experiencing homelessness, individuals who are refugees or immigrants, and children and families.

- **Leveraging Data to Ensure Up-to-Date Contact Information.** To strengthen its efforts to collect updated contact information, and to be compliant with the federal enhanced funding condition of updating contact information prior to commencing redeterminations, MassHealth matched its member contact information data with external data sources to ensure accuracy. Specifically, MassHealth used the National Change of Address (NCOA) database and "third-party" public records databases (such as LexisNexis) to check the accuracy of the contact information (address and phone number) that it had on file prior to conducting redeterminations.

- **Strengthening Workforce Capacity.** Like most states, MassHealth has increased its workforce capacity to manage the processing of redeterminations for its increased caseload. MassHealth has already onboarded and trained a cohort of new eligibility and enrollment caseworkers, including those that may be needed to process eligibility appeals. MassHealth has also contracted with an "overflow" vendor that will increase the eligibility and enrollment workforce by 120 agents. Additionally, to support the anticipated increase in call center volume during the unwinding period, the Health Connector has increased its call center capacity from 135 to 170 staff; this staff will be able to fill in the gaps and support MassHealth redetermination processes, as needed.

- **Maintaining Strong Oversight and Monitoring.** MassHealth's relationships with community-based organizations, its managed care plans, and its ACOs will be critical in providing bi-directional communication—whereby MassHealth provides regular redetermination process updates to community-based organizations and plans, which in turn provide real-time feedback to help MassHealth better understand where processes need to be improved (e.g., members experiencing long wait times to speak to a call center representative). To support oversight and monitoring efforts, MassHealth will publicly post a dashboard that will show key metrics, including the number of people who were successfully redetermined, the number of people who were terminated, and reasons for termination. MassHealth intends to use this data to evaluate whether coverage losses appear disproportionately high across certain populations or geographies. Pre-COVID-19 historical disenrollment rates will be one barometer for monitoring, although it may be the case that disenrollment rates in the unwinding period are slightly higher given how long the continuous coverage requirement has been in place.

- **Ensuring Smooth Transitions to the Health Connector.** MassHealth is working closely with the Health Connector on communication, policy, and outreach strategies to ensure smooth transitions from MassHealth to ConnectorCare and other qualified health plans (QHP) during the unwinding period. First, the Health Connector has launched a comprehensive information campaign that includes outreach via email, mail, texts, social media, door knocking, and television advertisements. The Health Connector has also developed and shared social media toolkits for community-based organizations to help amplify existing messaging campaigns. The Health Connector has added three new navigator contracts for a new total of 22 community-based Navigators, who will provide outreach and education about the end of the continuous coverage requirements, facilitate coverage transitions, and educate individuals about the differences between Medicaid managed care and coverage available through the Health Connector.

  The Health Connector is taking advantage of its "exceptional circumstances" authority to provide extended Special Enrollment Periods (SEPs) for consumers losing MassHealth coverage or experiencing other "qualifying life events" (such as newly qualifying for the ConnectorCare program) to enroll in Health Connector coverage at any time in 2023; the Health Connector will revisit SEP needs after the Open Enrollment period for 2024 plans. Further, in anticipation of the unwinding of the continuous coverage requirement, beginning in April 2022 the Health Connector deployed an auto-enrollment process, through which individuals may consent to be auto enrolled in a $0 premium plan through the Health Connector application if they are found to be eligible. Through this strategy, over 450,000 individuals to date have agreed to be auto enrolled if eligible for a $0 premium plan, and 2,500 individuals have been found eligible and auto-enrolled. MassHealth has extended the coverage end date for individuals transitioning from MassHealth to a subsidized QHP, so that individuals found eligible for Health Connector coverage do not experience a coverage gap during the transition. Similar to MassHealth, the Health Connector has also elected to expand its income reasonable compatibility threshold to 20 percent to provide additional flexibility to consumers and reduce unnecessary administrative follow-up.

STAKEHOLDER ACTION CHECKLIST

Everyone involved in health care in Massachusetts has a role to play in minimizing coverage loss during the continuous coverage unwinding process.

Providers, managed care plans, integrated care plans, ACOs, community-based organizations, and businesses can:

- Visit www.mass.gov/masshealthrenew to download shareable materials and talking points designed to help spread the word about upcoming redeterminations;
- Remind individuals who have MassHealth coverage to make sure MassHealth has their most up-to-date contact information and to report any other household changes (such as a new job, change to income, pregnancy, disability status);
- Help people understand how to report these changes to MassHealth;
- Give updates to individuals that the end of the continuous coverage requirement means they need to respond to requests for information from MassHealth;
- Help individuals complete the renewal forms and send back to MassHealth in a timely way; and,
- Provide feedback to MassHealth about how the unwinding process is rolling out on the ground, including identifying coverage loss trends and issues with renewal processes.

Managed care plans, integrated care plans, and ACOs can conduct member outreach, based on weekly files received from MassHealth, to:

- Obtain updated contact information from the member and share the updated information with MassHealth; and,
- Remind individuals that they are up for renewal and provide information on how to successfully return forms and documentation back to MassHealth.

CONCLUSION

Medicaid continuous coverage has resulted in significant coverage gains in MassHealth and in Medicaid nationally.[23] These coverage gains promoted stability and continuity of health care during the COVID-19 pandemic, but the federal continuous coverage protection will expire at the end of March 2023. MassHealth and the Health Connector have developed and begun to deploy a multi-prong plan to help reduce unnecessary coverage loss during this transition, including innovative strategies to partner with community-based organizations to conduct linguistically and culturally appropriate outreach to members at risk of coverage loss. Massachusetts has taken advantage of the multiple opportunities to maximize coverage retention for eligible people including taking all of the time made available by CMS to implement its continuous coverage unwinding process, and ensuring full oversight and monitoring of redetermination rates. Given the potential for significant coverage loss and widened inequities as the Medicaid continuous coverage requirement ends, it is critical for states and health care stakeholders to use all the tools at their disposal to ensure that people who remain eligible stay covered.

ENDNOTES

1 16th Congress, Families First Coronavirus Response Act, HR 6201, § 6008(b)(3), March 18, 2020. Available at https://www.congress.gov/bill/116th-congress/house-bill/6201.

2 The federal continuous coverage protections did not apply to certain MassHealth members who are enrolled in "Separate CHIP," which covers MassHealth children at higher income levels.

3 There were certain exceptions to the federal continuous coverage requirement. Members could still lose their MassHealth coverage if they moved out of state, voluntarily withdrew, or passed away. Also, the continuous coverage requirement did not apply to members in "Separate CHIP," which covers MassHealth children at higher income levels.

4 MassHealth, "MassHealth Snapshot Enrollment Summary as of January 2023 Caseload." Available at: https://www.mass.gov/doc/masshealth-caseload-snapshot-and-enrollment-summary-january-2023-0/download.

5 Consolidated Appropriations Act, 2023. Available at https://www.congress.gov/117/bills/hr2617/BILLS-117hr2617enr.pdf.

6 Per 42 C.F.R. 435.916, states are required to first attempt to process renewals ex parte using reliable data sources. For individuals who are unable to have their eligibility redetermined ex parte, states must send a renewal form (pre-populated for MAGI populations) and give individuals time to respond to the renewal form (30 days for MAGI populations and a reasonable time for non-MAGI populations). Individuals must be able to submit their renewal forms through multiple modalities including via in-person, by mail, by telephone and online. If an individual has their coverage terminated, the state must re-determine eligibility without requiring a new application if the individual returns to the state within 90 days.

7 Kaiser Family Foundation, "New Analysis of Historical Rates of Medicaid Enrollment Churn Sheds Light on the Implications for the End of the Continuous Enrollment Requirement Tied to Pandemic Funding," December 2021.

8 Sugar, S., Peters C., DeLew. N., & Sommers, B. D., "Medicaid Churning and Continuity of Care: Evidence and Policy Considerations Before and After the COVID-19 Pandemic" (Issue Brief No. HP-2021-10), Washington, DC: Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, April 12, 2021. Available at https://aspe.hhs.gov/sites/default/files/private/pdf/265366/medicaid-churning-ib.pdf.

9 Massachusetts Medicaid and CHIP Verification Plan. Aavailable at https://www.medicaid.gov/sites/default/files/2019-12/massachusetts- verification-plan-template-final.pdf.

10 Code of Federal Regulations, Title 42, § 435.916 Periodic renewal of Medicaid eligibility.

11 States are required to provide at least 30 days from the date of the renewal form to respond to any requests for information. Code of Federal Regulations, Title 42, § 435.916(a)(3).

12 Boozang, P., & Striar, A., "The End of the COVID Public Health Emergency: Potential Health Equity Implications of Ending Medicaid Continuous Coverage," State Health and Value Strategies, September 17, 2021. Available at https://www.shvs.org/the-end-of-the-covid-public-health-emergency-potential-health-equity-implications-of-ending-medicaid-continuous-coverage/.

13 Ibid.

14 CMS, SHO# 22-001, available at https://www.medicaid.gov/federal-policy-guidance/downloads/sho22001.pdf; CMS, SHO# 20-004, December 22, 2020, available at https://www.medicaid.gov/federal-policy-guidance/downloads/sho20004.pdf; and CMS, SHO# 201-004, August 13, 2021, available at https://www.medicaid.gov/federal-policy-guidance/downloads/sho-21-002.pdf.

15 CMS, SHO# 22-001. Per the SHO, CMS clarified that it will consider a state in compliance with the 12-month unwinding period if it has: (1) initiated all renewals for the state's entire Medicaid and CHIP caseload by the last month of the 12-month unwinding period; and (2) completed all such actions by the end of the 14th month after the end of the PHE.

16 MassHealth, "Health Safety Net (HSN): Massachusetts Health Care Training Forum (MTF)," July 2021. Available at https://www. masshealthmtf.org/sites/default/files/2021_July%20MTF_HSN_MassHealth%20Updates_Final.pdf; "MassHealth Renewals/RFIs and Continuous Coverage During the Federal Public Health Emergency," May 2021. Available at https://www.mass.gov/doc/masshealth-eligibility-update-may-2021-renewalsrfis-and-continuous-coverage-during-the-federal-public-health-emergency-0/download.

17 Illinois is increasing their threshold to 30 percent in response to the PHE declaration to provide "immediate relief to the amount of manual communication required when verifying income" (see https://www.dhs.state.il.us/page.aspx?item=123618); New Jersey is raising the reasonable compatibility standard from 10 percent to 25 percent in April 2022 (see https://www.state.nj.us/humanservices/dmahs/info/resources/ medicaid/2020/20-04_COVID-19_Guidance.pdf); and Connecticut is adopting a higher standard (from 10 percent to 20 percent) to allow more individuals to enroll/auto-renew without needing to submit verifications amid the PHE (see https://portal.ct.gov/DSS/Communications/ DSS-Response-to-COVID-19). Nevada sorts returned mail by forwarding address, out-of-state, and return to sender.

18 Health Care for All, "Health Care for All Applauds $5 Million for MassHealth Redetermination and Vaccine Outreach Campaign in ARPA Spending," December 1, 2021. Available at https://hcfama.org/statement-health-care-for-all-applauds-5-million-for-masshealth-redetermination-and-vaccination-outreach-campaign-in-arpa-spending/.

19 Per 42 C.F.R. 435.908, Certified Application Counselors are required to provide application and renewal assistance to individuals in-person, over the telephone, and online, and in a manner that is accessible to individuals with disabilities and those who are limited English proficient.

20 Integrated care organizations are organizations that serve members in the One Care, Senior Care Options (SCO), or Program of All-Inclusive Care for the Elderly (PACE) programs.

21 Information is shared between MassHealth and managed care plans and ACOs through the 834 Health Care Benefit Enrollment and Maintenance transaction form.

22 MassHealth has obtained Section 1902(e)(14) waiver authority to accept updated contact information from a plan without having to double check that the information is correct with the member.

23 MassHealth, "MassHealth Enrollment Snapshot as of November 2021"; Corallo, B., & Moreno, S., "Analysis of Recent National Trends in Medicaid and CHIP Enrollment," Kaiser Family Foundation, March 3, 2022. Available at https://www.kff.org/coronavirus-covid-19/issue-brief/analysis-of-recent-national-trends-in-medicaid-and-chip-enrollment/.