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TO: Michigan Department of Health and Human Services

Attention: Lewis Roubal, Chief Deputy Director for Opportunity; Farah Hanley, Chief Deputy Director for Health; and Katherine Massey, Senior Deputy Director, Behavioral and Physical Health and Aging Services Administration

FROM: Monique Stanton, President and CEO of the Michigan League for Public Policy

DATE: May 16, 2022

SUBJECT: Recommendations for Michigan's public health emergency unwinding plan

EXECUTIVE SUMMARY

The Michigan League for Public Policy (League) has produced a set of recommendations for the Michigan Department of Health and Human Services (MDHHS) Behavioral and Physical Health and Aging Services Administration (BPHASA) as it prepares to resume annual Medicaid and Children's Health Insurance Program (CHIP) renewals following the expiration of the federal public health emergency (PHE).

Our recommendations are intended to support an "unwinding" process that minimizes administrative-related coverage losses and facilitates effective transitions to alternative forms of coverage should Medicaid ineligibility be established after review. Our hope is that this set of recommendations can also be used to improve the efficiency of renewal procedures in the long-term.

If you have questions or wish to discuss the recommendations in greater detail, please contact Alex Rossman, League External Affairs Director. Alex can be reached at arossman@mlpp.org.

BACKGROUND

The Families First Coronavirus Response Act, enacted March 18, 2020, provided that state Medicaid programs would receive an enhanced federal medical assistance percentage throughout the PHE if four maintenance of effort provisions were met. Among these was a provision that required states to provide continuous coverage to all Medicaid/CHIP enrollees for the duration of the PHE.

With the PHE currently set to expire July 15, 2022, and along with it its associated enhanced federal support, state Medicaid agencies across the country are tasked with developing an approach to unwinding the continuous coverage requirement in their state and redetermining eligibility for all Medicaid/CHIP beneficiaries. The League invites MDHHS BPHASA to consider the following recommendations as it finalizes and implements its unwinding plan.

RECOMMENDATIONS

1. **Plan for a 12-month unwinding period to process renewals after the PHE ends.** The March 3, 2022 guidance from the Centers for Medicare and Medicaid Services outlines that states will be

considered in compliance if all renewals are initiated within 12 months and completed within 14.[1] Fourteen months will allow for the time needed to: prioritize renewals; leverage partnerships with managed care organizations, community-based organizations, and other stakeholders to effectively communicate with enrollees; and minimize coverage losses resulting from procedural errors.

2. **Consider a process for engaging local partners and stakeholders interested in helping to shape Michigan's unwinding plan.** Community groups may foresee challenges unique to the populations they serve and can offer their insight as solutions. Allowing for input and feedback from various organizations from across the state will fortify Michigan's plan for resuming annual renewals and make for more effective implementation. The workload facing BPHASA is tremendous, so we are committed to working with the administration to establish a process that is not cumbersome but collaborative and efficient.

3. **Share the state's official plan for resuming routine Medicaid/CHIP renewal operations.** Stakeholders, such as healthcare providers, managed care organizations, policy and advocacy organizations, child and family service organizations, and disability groups are interested to know the state's approach to the unwinding so as to assist enrollees with understanding what will be asked of them and how to obtain assistance during the renewal process.

4. **Partner with Medicaid managed care organizations and community-based organizations to ensure effective communication with enrollees.** Managed care organizations and community based organizations are uniquely situated to communicate time-sensitive information to enrollees and can help to ensure outreach strategies are most productive.

5. **Increase the percentage of Medicaid/CHIP renewals completed *ex parte*.** *Ex parte* describes the process where enrollee eligibility is verified through available third-party electronic data sources. For example, the Supplemental Nutrition Assistance Program is a highly reliable data source for *ex parte* renewals. As of January 2022, Michigan reported being one of 11 states processing fewer than 25% of renewals *ex parte*.[2] Improving *ex parte* renewals will alleviate the need for enrollees to submit forms and supplemental documentation to maintain coverage, ultimately reducing churn among beneficiaries and workload for state benefit workers.[3]

6. **Continue to allow enrollees to renew online, in-person, or by phone.** Providing multiple avenues for enrollees to renew their and their families' coverage increases the likelihood of successful, timely renewals.

7. **Invest in current and new staff to assist enrollees with the renewal process.** Unwinding the continuous coverage requirement will be an enormous undertaking, especially if done well. MDHHS may need to hire and train new state benefit workers or find alternative methods to address workforce capacity constraints, such as allowing for overtime pay for current staff or partnering with existing healthcare navigator programs around the state.

8. **Make call center statistics publicly available.** Call center data such as total call volume, wait times, and abandonment rates will provide valuable insight into whether or not enrollees are confused by a renewal notice and need more information to successfully maintain coverage.

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[1] Centers for Medicare and Medicaid Services. March 3, 2022. State Health Official Letter #22-001. *Promoting Continuity of Coverage and Distributing Eligibility and Enrollment Workload in Medicaid, the Children's Health Insurance Program, and Basic Health Program Upon Conclusion of the COVID-19 Public Health Emergency*.
https://www.medicaid.gov/federal-policy-guidance/downloads/sho22001.pdf

[2] Kaiser Family Foundation. *Medicaid and CHIP Eligibility and Enrollment Policies as of January 2022 Findings from a 50-State Survey.*
https://www.kff.org/medicaid/report/medicaid-and-chip-eligibility-and-enrollment-policies-as-of-january-2022-findings-from-a-50-state-survey/

[3] Wagner, J. Center for Budget and Policy Priorities. March 4, 2021. *Streamlining Medicaid Renewals Through the Ex Parte Process.* https://www.cbpp.org/research/health/streamlining-medicaid-renewals-through-the-ex-parte-process

9. **Stratify disenrollment data by Ineligibility Established and Eligibility Could Not be Established.[4]** Distinguishing between individuals determined ineligible for Medicaid/CHIP because of age, income, or changes in household composition, for example, and individuals who were simply lost to follow-up or failed to return a renewal form or other required documentation is essential if MDHHS is to achieve its goal of minimizing Medicaid/CHIP disenrollments for procedural reasons only. Such data stratification will support appropriate transfers to the federal marketplace for those whose ineligibility is established and allow for additional outreach and assistance for those who have been harder to reach and are at risk of administrative-related coverage loss.

10. **Expand follow-up methods for harder-to-reach enrollees.** Leveraging multiple methods of outreach such as individual phone calls, automated phone calls, email, and text is likely to increase the response rate of enrollees at risk of coverage loss more than simply remailing a renewal notice previously gone unanswered. Robust follow-up will reduce the number of individuals who remain eligible for Medicaid/CHIP but are disenrolled after the continuous coverage requirement ends because of a failure to receive or respond to requests for information.

Respectfully,

Monique Stanton
President and CEO
Michigan League for Public Policy

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[4] Centers for Medicare and Medicaid. May 20, 2014. *Medicaid and CHIP Eligibility and Enrollment Performance Indicators Data Dictionary.* https://www.medicaid.gov/medicaid/downloads/performance-indicators-datadictionary.pdf