



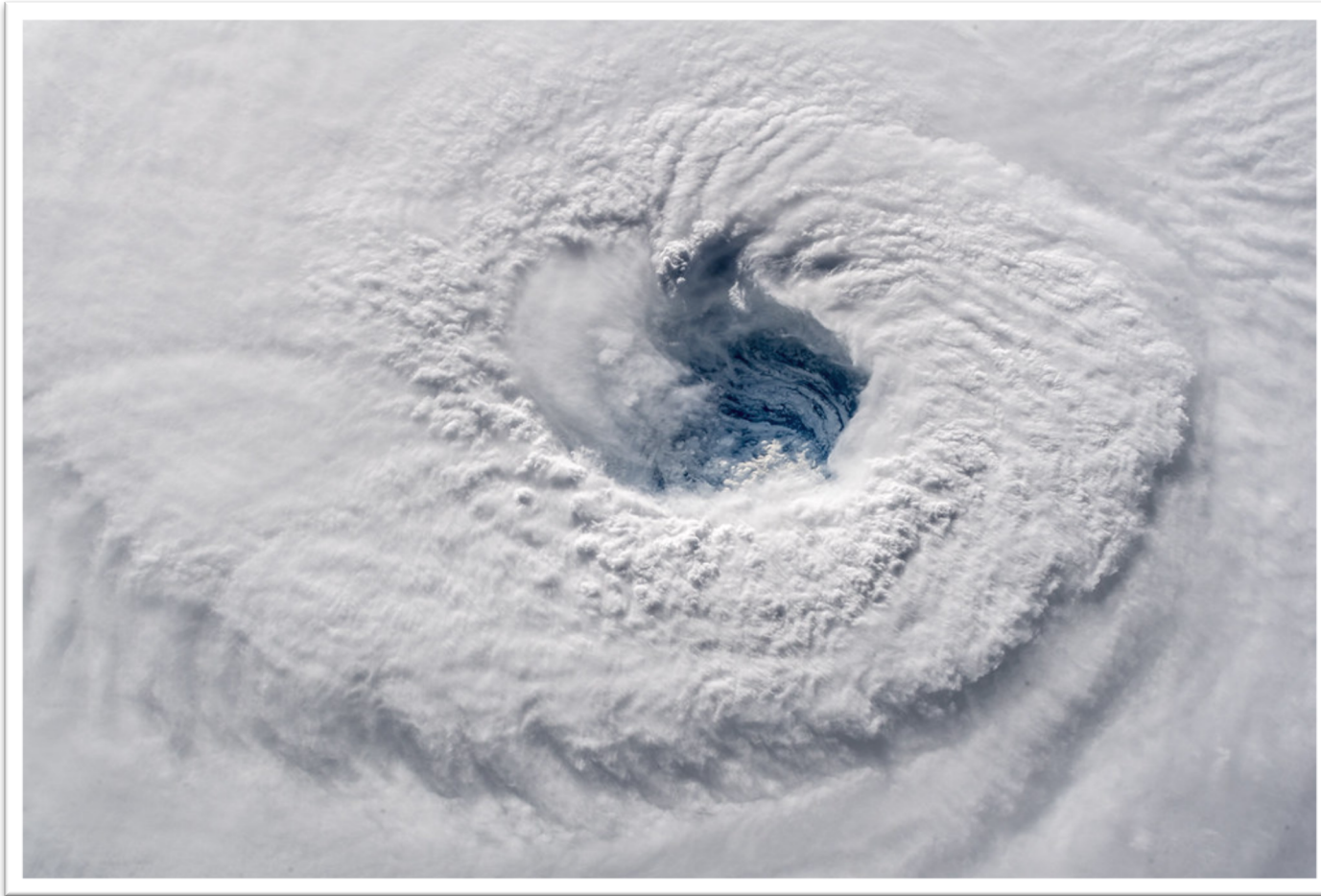
Georgetown University
Health Policy Institute
CENTER FOR CHILDREN
AND FAMILIES

Medicaid, CHIP, and COVID-19

State Partner Webinar
April 7, 2020



Medicaid will be in the eye of the storm



Challenges/Opportunities

- New Families First law includes an increase in Medicaid/CHIP funding with a disenrollment freeze/MOE
 - More federal funds will likely be needed
 - Work requirements/new barriers are not permitted
- Back to basics – outreach and education on public coverage options
 - The value of coverage is clear
- Streamlining/Simplifying agenda important for state workforce as well



How can states change Medicaid/CHIP to respond to the crisis?

- Disaster Relief SPA Template/[instructions](#) issued by CMS offers easy way to add eligibility groups; simplify eligibility and enrollment, removing copays and premiums, enhance benefits, address provider workforce issues temporarily during the public health emergency
 - CMS is posting these when approved
- Almost all states have an emergency Section 1135 waiver approved already
- Some states are also seeking emergency Section 1115a waivers
 - Public notice and comment rules are largely waived
 - Public posting by CMS is required

Medicaid and CHIP during COVID-19 Crisis

- Coverage for individuals and families losing jobs and employer-sponsored insurance, costs of COVID-19 testing and treatment for current and new beneficiaries
- Financial support for highly stressed safety net providers that rely on Medicaid
- Vital countercyclical function but will be undercut by state budget deficits

Greater Medicaid and CHIP Support in Families First COVID-19 Response Bill

- Temporary 6.2 percentage point increase in federal Medicaid matching rate (FMAP) during public health emergency
- Because FMAP determines CHIP matching rate, temporary 4.34 percentage point increase for CHIP as well
- States will also pay less in Medicaid prescription drug “clawback” payments



Much More Medicaid and CHIP Fiscal Relief Needed

- Unemployment will likely increase far more than during Great Recession, so enrollment increases will likely be far larger
- Double whammy of higher health care costs due to COVID-19
- State budget deficits will likely be much larger than during Great Recession, well above total fiscal relief in Families First and CARES Act
- Further FMAP increases included in Take Responsibility for Workers and Families Act, endorsed by governors

Proposed Medicaid Fiscal Accountability Rule Would Undercut Benefits of Fiscal Relief

- Rule overwhelmingly opposed by states, providers, advocates and other stakeholders
- If finalized:
 - **Would take away or limit existing financing sources** used to pay state share of Medicaid costs, supplemental payments to hospitals, nursing homes and other providers
 - **Would lead to deep Medicaid cuts**, offsetting benefits of Medicaid and CHIP fiscal relief
 - **Would also prevent states from using new financing sources** to close budget deficits as in prior recessions
- Should be withdrawn or blocked

Families First MOE: Medicaid Only

- No new restrictive eligibility and enrollment standards, methodologies or procedures
 - All Medicaid populations
 - Look back to January 1, 2020
 - Procedures approved but not implemented
- No new or increased premiums
- Disenrollment freeze
 - Exceptions: move out-of-state; voluntary request
- No cost-sharing for COVID-19 testing or treatment

Children's Coverage MOE Extended by Healthy Kids and Access Acts in 2018

- No new restrictive eligibility and enrollment standards, methodologies or procedures
 - For children only in Medicaid and CHIP
 - No decreases in eligibility levels below 300% FPL
 - No new burdensome requirements to enroll
 - No increases in premiums above inflation unless approved in 2010 state plan
 - In place until 2027

MOE is on the Honor System

*Drawing down
the 6.2 pp
FMAP bump...*



*...is treated as
attesting to
compliance.*

Disenrollment Freeze

- Unlikely states could implement in real-time
- System glitches may occur even in states honoring the MOE
- Need easy, prompt reinstatement process
- Promote broadly to ensure that beneficiaries, providers, and other stakeholders are aware of the policy and how to initiate reinstatement

Expand Access to Coverage

- New “uninsured individuals” group: covers testing with 100% federal match
- Medicaid expansion (14 states)
- Coverage for lawfully residing immigrant children (35 states) and pregnant women (25 states)
- Increase eligibility above current levels
- State residency flexibilities

Facilitate Enrollment and Ease Beneficiary Requirements

- Boost outreach
- Adopt or expand presumptive eligibility
- Create a simplified application
- Drop or suspend all premiums, enrollment fees, monthly contributions
- Drop or suspend beneficiary cost-sharing



Use Administrative Resources Wisely

- Suspend renewals and periodic reviews
- Drop restrictive requirements (i.e., work reporting)
- Become an FFM determination state
- Verify income post-enrollment
- Adopt broader reasonable compatibility standard

Other CHIP Strategies

- Drop or suspend CHIP waiting periods (13 states)
- Drop or suspend lockout periods for nonpayment if premiums are not waived
- Suspend renewals
- Suspend periodic checks of eligibility



Benefit Changes

- Add new benefits
 - Pediatric benefits under EPSDT are already comprehensive
 - States may need to add new benefits for other covered groups to make sure COVID-19 testing and treatment is covered
- Adjust benefits
 - Expand the types of providers that may deliver services
 - Lift limits on the number or duration of visits/treatment
 - Lift limits on the number of prescriptions

Access to Care

- Eliminate premiums and cost-sharing
- Suspend prior authorization requirements
- Open managed care networks
- Telehealth
 - States have broad telehealth authority already
 - Theme in state plan changes is to establish payment parity across modalities

Attention: Continued Coverage for ALL

- Anyone covered on or after March 18, 2020 must remain covered for the duration of the emergency
- This includes:
 - Pregnant Women beyond the 60-day postpartum period
 - Children aging out of child group (note: must keep EPSDT)
 - Individuals losing other benefits that would typically affect Medicaid eligibility such as SSI and foster care assistance payments



Immigrant Families

- Medicaid/CHIP immigrant eligibility rules have not changed
- However, states may:
 - Adopt ICHIA for children and pregnant women (take advantage of higher CHIP match!)
 - Adopt CHIP “unborn” option
 - Extend reasonable opportunity period beyond 90 days for citizenship status verification
 - Define Emergency Medicaid to include any individual receiving treatment for symptoms related to COVID-19

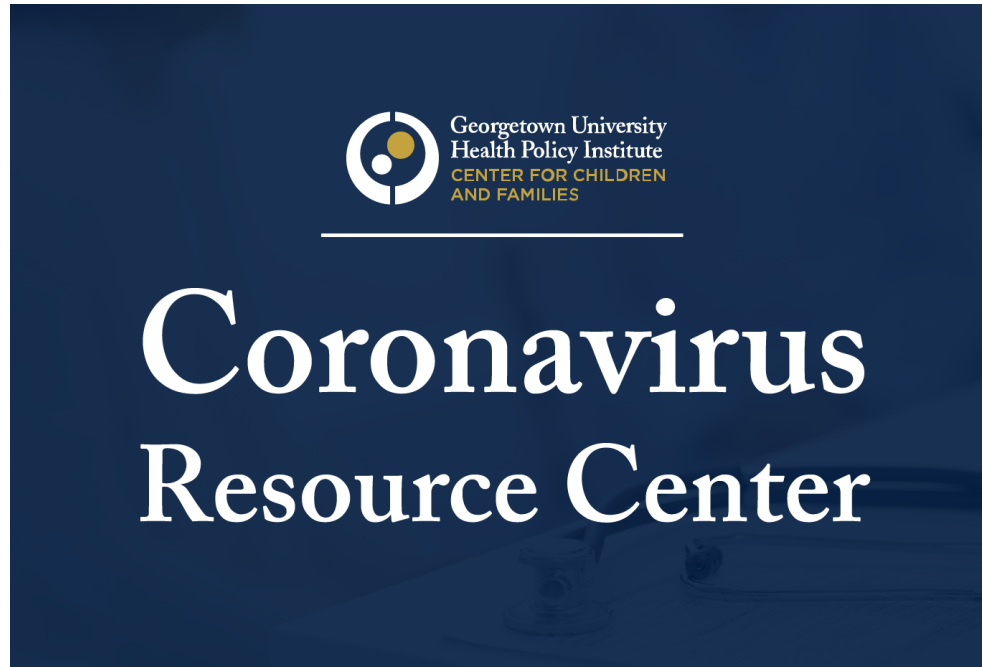
Public Charge

- Immigrant families should seek the care they need
- CARES Act provided additional funding for Community Health Centers
- USCIS announced that testing, prevention & treatment of COVID-19 will not be used against immigrants in a public charge test
- Blocking the new public charge rule would be more effective because confusion & chilling effects are likely to persist despite the USCIS announcement

Questions?



More Resources



Keep up to date on the latest in health coverage.

<https://ccf.georgetown.edu/2020/03/20/coronavirus-covid-19-resource-center/>