



Georgetown University
Health Policy Institute
CENTER FOR CHILDREN
AND FAMILIES

Center on
Budget
and Policy
Priorities

How Build Back Better Would Change Continuous Coverage

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Current Framework For Continuous Coverage

Enhanced FMAP

- States receive a 6.2 percentage point in the state's federal Medicaid funding
- To be discontinued at the end of the quarter after the PHE ends
- To qualify, states must meet certain maintenance of effort provisions

Maintenance of Effort (MOE)

- Beginning in March 2020, states must keep Medicaid enrollees continuously covered through the last day of the month when the PHE ends.
- Does not apply to CHIP
- States encouraged to continue to process renewals and changes and extend renewal dates to the extent possible.

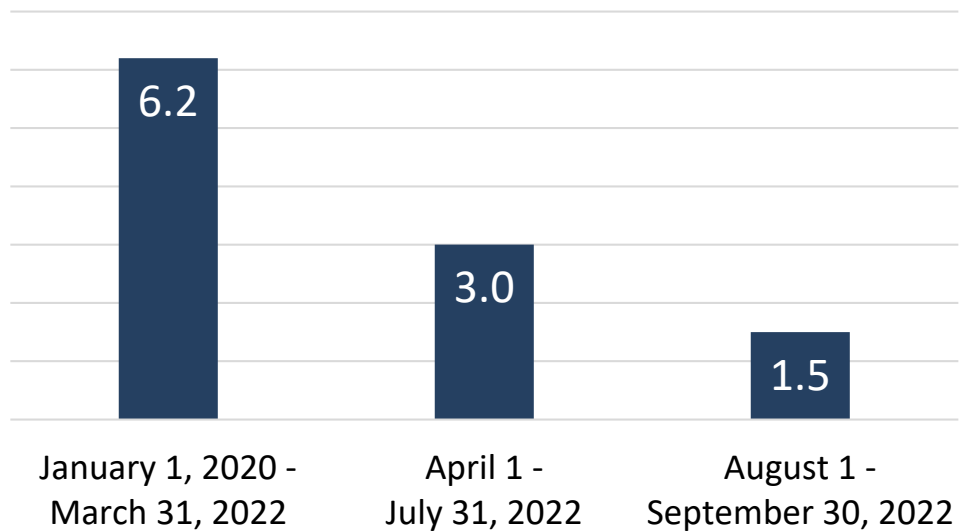
Current Guidance and Expectations for States

- Must have plan in place to return to normal operations within 12 months
 - 4 months to catch up on applications
 - 4 months to complete post-enrollment verifications (if applicable)
 - 12 months for renewals and redeterminations based on changes in circumstances
- A fresh review of eligibility must be conducted for all beneficiaries
 - Must consider all eligibility pathways
 - Prioritize action on individuals most likely to be no longer eligible*

Major Changes in Build Back Better

Phase Out of Enhanced FMAP

Percentage Point Increase in
Federal Medicaid Funding



MOE Delinked From PHE

- States could restart renewals/processing changes beginning April 1, 2022 for people enrolled for at least 12 months.
- Includes enrollee protections and monitoring requirements.

Build Back Better Enrollee Protections

- Eligibility determinations based on enrollees' current circumstances;
- Eligibility assessed under all categories;
- Good faith effort to secure updated contact information required before terminating coverage;
- Restrictions on coverage terminations based on returned mail;
- Limited to redetermining eligibility for 1/12 of caseload between April 1 and September 30, 2022;
- Transfer to marketplaces if determined ineligible.

Requirements for Returned Mail

- States can't terminate coverage based on returned mail unless:
 - At least two failed attempts;
 - Provide 30 days notice after the second attempt before termination of coverage.

Build Back Better Data Reporting Requirements

- States must make monthly reports beginning April 1 through September 2022 that include:
 - Number of renewals and terminations;
 - Number of cases terminated due to insufficient verification;
 - Number of cases terminated due to a change in circumstances;
 - Number of individuals losing eligibility who were transferred to exchange coverage, CHIP, or Basic Health;
 - Data on call center volume, wait times, and call abandonment rates.

Implications of Build Back Better Changes

- Delinking from PHE provides certainty;
- New protections requiring good-faith effort to update addresses and limits on termination due to returned mail reinforce efforts to update addresses.
- Limiting activity to people enrolled for at least 12 months and to 1/12 of the caseload for the first 6 months along with continuation of enhanced FMAP slows down the process.
- Timely data reports allow for mid-course correction.

Open Questions

- When will Congress act?
- How quickly will CMS guidance be available?
- Will guidance currently in the works be delayed until CMS can consolidate with guidance on BBB?
- What's the impact on states' planning processes for the end of the PHE?
- What system changes will states need to make?