



# Update on Ending Continuous Medicaid Coverage

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**March 2022**



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# Overview

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# Background

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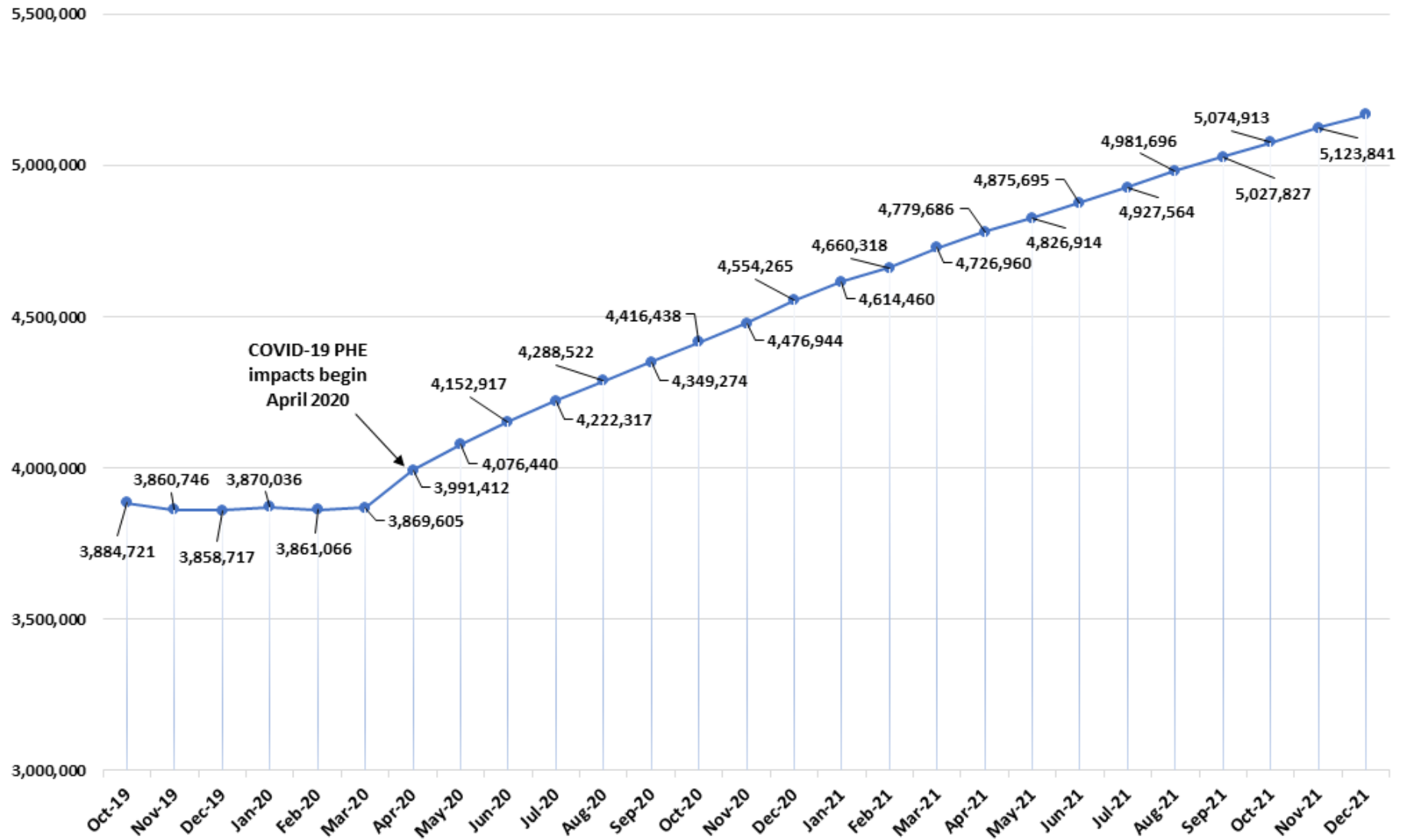


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The Families First Coronavirus Response Act (FFCRA) was passed by U.S. Congress in March 2020.

- Allowed states to qualify for a temporary 6.2 percentage point Federal Medical Assistance Percentage (FMAP) increase, provided states **maintain Medicaid coverage** for most people enrolled in Medicaid as of or after March 18, 2020, until the end of the month in which the federal public health emergency (PHE) ends.
- HHSC implemented the federal directive effective March 18, 2020.

## Medicaid Full Benefit Caseload, October 2019 - December 2021



Notes: May - December 2021 data is not yet final and subject to change. Source: PPS. HHSC Forecasting, December 2021.



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# Federal Guidance

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- Guidance from Centers for Medicare and Medicaid Services (CMS) has evolved over time.
- Major parameters for unwinding include:
  - States have 12 months to complete pending eligibility actions, which can begin up to 60 days before the first disenrollments will begin.
  - Disenrollments cannot be effective before the first of the month after the PHE ends.
  - States must conduct a full redetermination (as outlined in 42 Code of Federal Regulations 435.916) and allow members a minimum of 30 days to respond to renewal packets or requests for information.
- On March 3, 2022, CMS released new guidance to states in preparation for the end of continuous coverage. HHSC is evaluating the new guidance; however, HHSC's plan appears consistent with the risk-based options presented in the guidance.

# Current Landscape

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HHSC is preparing for the large volume of work expected with unwinding continuous coverage. This plan is subject to change based on new guidance and the changing landscape.

## Estimated PHE End Date

- The PHE is currently slated to end on **April 16, 2022**; it can be extended in increments up to 90 days. The federal government has indicated that it will likely extend the PHE beyond that date.
- The federal government has committed to giving states at least 60 days notice before the end of the PHE.
- HHSC is working under the assumption that the PHE will be extended another 90 days to **July 16, 2022**.

## Redetermination Population

- HHSC estimates as many as **3.7 million members** will need to have their Medicaid eligibility redetermined when continuous coverage ends.
- Of these, about 2.97 million individuals have been extended due to the continuous Medicaid coverage requirement in the FFCRA.

# HHSC Plan to End Continuous Enrollment



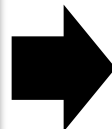
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- HHSC's unwinding approach **stagger**s Medicaid redeterminations for continuous coverage over multiple months.
- The continuous coverage population will be distributed into **three cohorts** to best accomplish the goals of:
  - Maintaining coverage for eligible individuals; reducing churn
  - Prioritizing redeterminations for those most likely to be ineligible or to be eligible for another program
  - Reducing the risk of overwhelming the eligibility system or workforce during the unwinding period
  - Establishing a sustainable renewal schedule for subsequent years

## First Cohort

- Includes individuals most likely to be ineligible or transitioned to CHIP.
  - Pregnant women who may transition to Healthy Texas Women Program
  - Members who aged out of Medicaid
  - Adult recipients who no longer have an eligible dependent child in their household

**Approximately 880K members (as of December 2021)**



## Second Cohort

- Includes individuals likely to transition to a different Medicaid eligibility group
- Medicaid children, parent/caretaker and waiver groups pending information
- Certain MAGI population groups (e.g., children, people under Transitional Medical Assistance).

**Approximately 280K members (as of December 2021)**



## Third Cohort

- Includes everyone remaining from the previous groups, including those most likely to remain eligible (i.e., Children in Medicaid).

**Approximately 1.81M members (as of December 2021)**

# Timeline – Ending Continuous Coverage



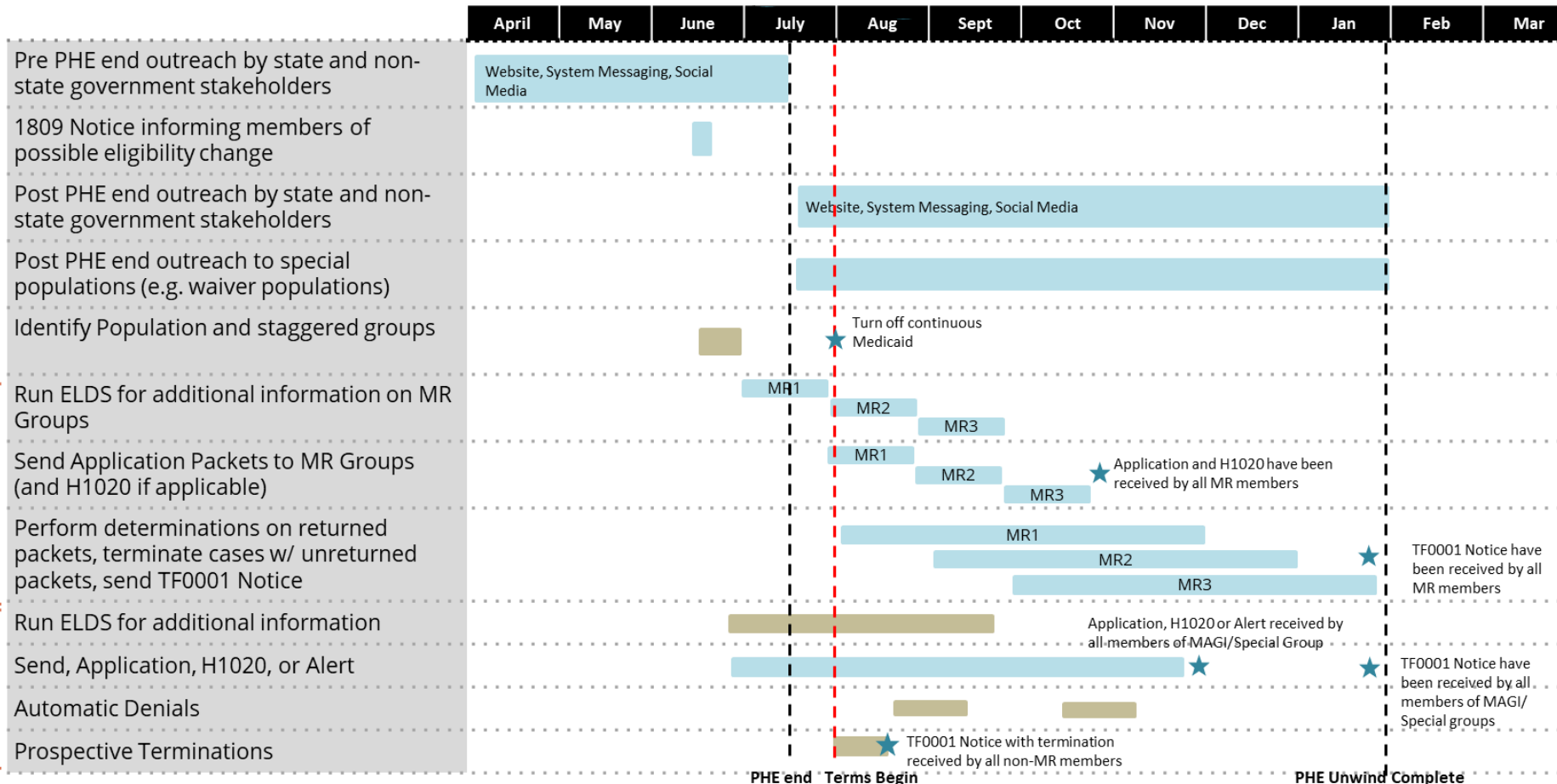
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- Outreach-related Activity
- Milestone

Note: Timeline assumes PHE ends July 16, 2022. The current PHE declaration ends April 16, 2022. The federal government has indicated the PHE will be renewed beyond April 16, but has not indicated the duration of that renewal.

Population that will go through the Medicaid Renewal (MR) Process

Population that will go through MAGI Alert, Special, or non-MR process





# Workforce/Workload Challenges



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To address potential strain on the eligibility system during the unwinding period, HHSC has identified multiple strategies aimed at increasing workforce capacity and/or reducing workload on eligibility workers. These include:

- Augmenting the eligibility operations team with other staff to process certain case actions.
- Conducting job fairs in high retention areas and doing on-demand hiring to boost recruitment.
- Increasing staff efficiency and performance, while improving the client experience, by:
  - Allowing clerical staff to perform data entry tasks and assist with interview scheduling.
  - Prioritizing specific system changes that will result in faster processing times, including the automated scheduling of SNAP appointments and automation of certain manual eligibility staff alerts (i.e. MAGI).



**Increase Staff**



**Decrease workload**

# Communications and Stakeholder Outreach

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HHSC is engaging with providers, health plans, and advocates to support members and prepare for the end of continuous Medicaid coverage.

## **Key Messages – Actions Members Can Take Now**

1. Sign up for the YourTexasBenefits account and mobile app.
2. Report any changes in contact information to ensure members receive important notices when needed.
3. Return renewal packets or requests for information as soon as possible after they are received by the member.

These key messages aim to **reduce member confusion**, increase likelihood of **eligible members maintaining coverage** and **minimize call center volume**.

# Constraints and Next Steps



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## **Constraints**

- The unwinding of continuous coverage is comparable in magnitude to the launch of the Affordable Care Act (ACA).
- The end date of the PHE is still uncertain. CMS may issue further guidance, complicating planning and implementation.
- Additional guidance from CMS may require the need to revisit strategy, IT coding, and other preparations currently underway.
- Workforce challenges exist across the system that continue to impact planning efforts and preparation. This includes hiring and retention of staff for contract partners, including call centers.

## **Next Steps**

- Continue working with CMS to keep aligned with the latest federal guidance and requirements.
- Continue activities to increase workforce capacity and ensure the eligibility system is prepared for ending continuous coverage.
- Continue engaging with contract partners and external stakeholders to build awareness for HHSC plans to end continuous coverage and expectations for members when action is needed.