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MTF Brief

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MassHealth Enrollment Trends: The End of Continuous Coverage & Redetermination

MassHealth, the state's combined Medicaid and Children's Health Insurance Program [CHIP], provides healthcare coverage to Massachusetts' highest need residents. MassHealth enrollees have access to doctor and hospital visits, prescription drugs, and other important healthcare services.[1] The program also represents the largest category of spending in the state budget, making up 35 percent ($19.8 billion) of total state spending in Fiscal Year (FY) 2024. Prior to the pandemic, an average of 1.76 million individuals were enrolled in the MassHealth program each month. By April 2023, enrollment in MassHealth had grown to 2.42 million individuals, an increase of 659,000 (38 percent).

This dramatic increase in MassHealth enrollment was a result of the COVID-19 pandemic, the declaration of a federal Public Health Emergency (PHE), and two related policy changes at the federal level. The Medicaid response to the pandemic not only had significant impacts on MassHealth enrollment trends, but also the state budget and the healthcare system overall. Now, twelve months after the end of the PHE, the unwinding of these policies will have an equally seismic effect as routine redeterminations continue and federal reimbursement revenue declines.

This policy brief reviews the impacts of the federal PHE on MassHealth between 2020 and 2023, including an overview of enrollment trends, the continuous coverage mandate, and the effects of enhanced federal revenue on the state budget. It further assesses how the end of the PHE, and its related policies will impact MassHealth moving forward, including a review of the redetermination process and its consequences for other sectors of the healthcare system like ConnectorCare, the uninsured population and employer sponsored coverage.

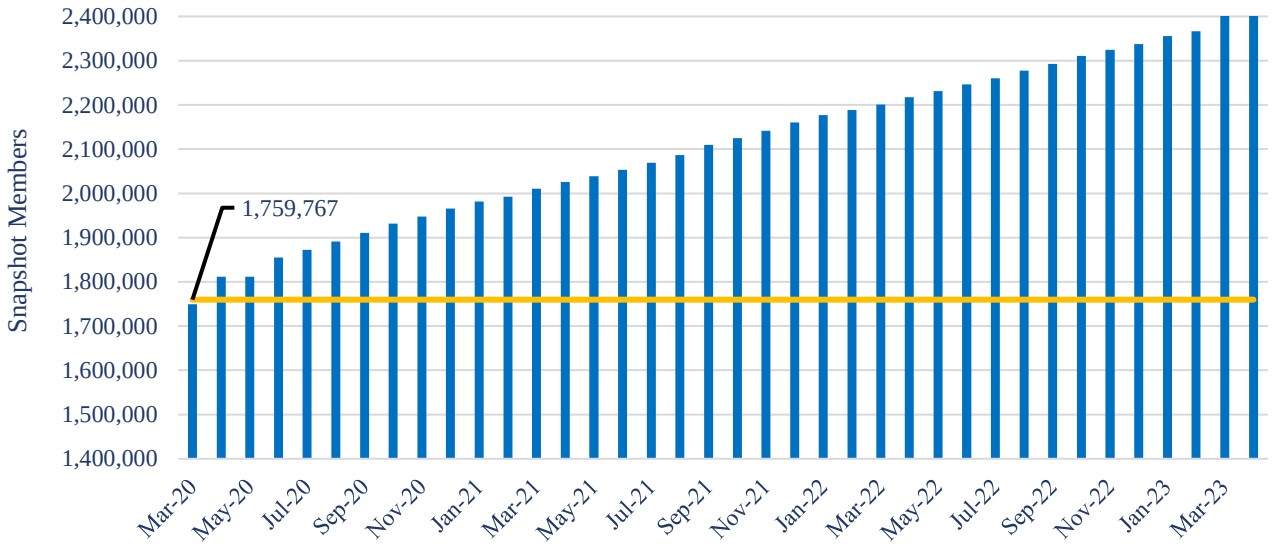
MassHealth Enrollment Trends

In the year leading up to the pandemic (February 2019 – February 2020), an average of 1.76 million individuals were enrolled in the MassHealth program each month. Between March 2020 and April 2023, MassHealth enrollment increased by over 650,000 to 2.4 million, growth of approximately 38 percent. At the peak of enrollment, approximately 34.6 percent of Massachusetts residents were MassHealth members; and enrollment was more than double that of Supplemental Nutrition Assistance Program (SNAP) recipients in the same month.[2]

[1] Commonwealth of Massachusetts. (2023). *MassHealth*. Health & Social Services. https://www.mass.gov/topics/masshealth
[2] Commonwealth of Massachusetts (2023). *Department of transitional assistance caseload by zip code reports- April 2023*. https://www.mass.gov/doc/caseload-by-zip-code-report-april-2023/download

While the rate of enrollment growth varied from month to month over this three year period, it grew by an average of 16,817 every month. Unsurprisingly, the largest growth – 43,383, from May to June of 2020, occurred at the start of the pandemic, while the smallest increase occurred from January to February 2023 with a 10,620 net growth.

Figure 1 – MassHealth Enrollment, March 2020 – April 2023



During the pandemic, the driving force behind MassHealth enrollment trends was the declaration of the federal Public Health Emergency (PHE) and a pair of its related policies: enhanced federal Medicaid reimbursement and continuous coverage.

Federal Public Health Emergency & Continuous Coverage

In March 2020, Congress passed the Families First Coronavirus Response Act (FFCRA), the first of four major pandemic-related response bills. The legislation directed $3.4 billion to states and other partners for emergency pandemic response efforts. While this funding level represented only 0.1 percent[3] of total pandemic-related response funding approved by the federal government, the legislation included several policy changes that had a profound impact on states in the years to come.[4]

Table 1 - Four Major Federal COVID-19 Response Legislation

Name	Date	Cost
The Families First Coronavirus Response Act	March 18th, 2020	$3.4 billion
The Coronavirus Aid, Relief, and Economic Security (CARES) Act	July 23rd, 2020	$2.1 trillion
The Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act	December 27th, 2020	$900 billion
The American Rescue Plan of 2021	March 11th, 2021	$1.9 trillion

[3] FFCRA, in combination with three other COVID response laws, totaled $3.4 trillion in federal appropriations.
[4] Moss, K., Dawson, L., Long, M., Kates, J., Musumeci, M., Cubanski, J., & Pollitz, K. (2020). *The families first coronavirus response act: Summary of key provisions.* KFF. https://www.kff.org/coronavirus-covid-19/issue-brief/the-families-first-coronavirus-response-act-summary-of-key-provisions/#:~:text=On%20March%2018%2C%202020%2C%20the,for%20domestic%20and%20global%20efforts).

In addition to increased funding for SNAP, Emergency Food Assistance, and other essential public health programs, the FFCRA also increased federal reimbursement to states for Medicaid spending. While state spending on Medicaid is typically reimbursed at 50 percent from the federal government, the FFCRA provided states with an additional 6.2 percentage points in federal reimbursement in exchange for implementing a "continuous coverage" policy.[5] Continuous coverage, in this case, prohibited states from removing Medicaid enrollees from coverage during the duration of the PHE unless they voluntarily withdrew, moved out of state, or passed away.[6]

For Massachusetts, participating in continuous coverage had two major impacts: an increase in federal reimbursement for each dollar spent and an increase in MassHealth enrollment. The increase in federal reimbursement for MassHealth spending resulted in about $250 million in additional revenue per quarter. During the PHE, Massachusetts received approximately $1 billion in enhanced federal revenue each year, helping to offset the increased healthcare costs associated with skyrocketing enrollment. Due to enhanced FMAP, the state's percent cost share towards the MassHealth program decreased compared to pre-pandemic levels.

Table 2 – FY 2018 and FY 2023 Gross vs. Net MassHealth Costs

	FY 2018	FY 2023
Gross MassHealth Costs	$15.7	$21.6
Net MassHealth Costs	$6.1	$8.0
Percent Cost Share	38.9%	37.0%

$ in billions

The continuous coverage policy linked to enhanced federal reimbursement was intended to stabilize health insurance access during a public health crisis and as a result, MassHealth enrollment significantly grew since enrollees were no longer being removed from coverage.

Prior to the continuous coverage requirement, MassHealth was required by federal law to conduct an annual redetermination or renewal process.[7] The purpose of this process was to ensure that all MassHealth members remained qualified for coverage. Those deemed no longer eligible during the redetermination process due to, for example, an increase in their income would be removed from coverage. During calendar year (CY) 2018 and 2019, approximately 52,000 members were removed from MassHealth coverage monthly as part of regular redetermination and operational activities.[8] During that same period there was an average net caseload decrease of about 5,392 per month with around 46,608 joining the program per month. Typically, the highest growth months for MassHealth were August to September coinciding with the start of the school year for families who have mixed coverage (i.e. adults on the Health Connector while kids are on MassHealth). While monthly caseload changes fluctuate due to seasonal factors, MassHealth

[5] Serafi, K. & Boozang, P. (2022). *The end of the federal continuous coverage requirement in MassHealth: Key strategies for reducing coverage loss.* Blue Cross Blue Shield Massachusetts Foundation. https://www.bluecrossmafoundation.org/sites/g/files/csphws2101/files/2022-04/ContinuousCoverage_IssueBrief_Apr22_FINAL_0.pdf

[6] Wikle, S. & Wagner, J. (2023). *Unwinding the Medicaid continuous coverage requirement.* The Center for Law and Social Policy. https://www.cbpp.org/research/health/unwinding-the-medicaid-continuous-coverage-requirement

[7] Serafi, K. & Boozang, P. (2022). *The end of the federal continuous coverage requirement in MassHealth: Key strategies for reducing coverage loss.* Blue Cross Blue Shield Massachusetts Foundation. https://www.bluecrossmafoundation.org/sites/g/files/csphws2101/files/2022-04/ContinuousCoverage_IssueBrief_Apr22_FINAL_0.pdf

[8] MassHealth. (2023). *October 2023 update on MassHealth redeterminations.* https://www.mass.gov/doc/redetermination-october-2023-key-takeaways-0/download

enrollment in the year prior to the pandemic increased by about 1 percent. Before that, there were significant changes in year to year trends due to ACA expansion, the implementation of the health insurance exchange, and program integrity efforts.

The continuous coverage period was tied to the duration of the PHE and between 2020 and the end of 2022, the PHE was extended thirteen times, with the federal government committing to provide states with at least 60 days-notice before ending the emergency. In late December 2022, Congress signed the Consolidated Appropriations Act (CAA) into law. The Act effectively ended continuous coverage, requiring states to redetermine all their Medicaid enrollees beginning no later than April 2023.[9] The CAA also implemented a phase down schedule for enhanced federal reimbursement from April to December 2023. Starting in 2024, federal MassHealth reimbursement rates have returned to pre-pandemic levels. FY 2025 will mark the first full fiscal year without enhanced federal reimbursement revenue for MassHealth spending, and the administration estimates an $820 million fiscal impact associated with that loss.

Table 3 – Phase-Down Schedule for Enhanced FMAP in 2023

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
5%			2.5%			1.5%		

Overview of the MassHealth Redetermination Process

The annual redeterminations process is a significant logistical undertaking and presents unique challenges. Over a 12 month period, MassHealth must redetermine all 2.4 million members with an estimated 25 percent more enrollee applications than in a normal year.[10] During the redetermination process, increased communication, outreach, and workforce capacities are especially needed to serve an increased renewal population. The results of redetermination will not only affect health care coverage in the state but will have massive implications on the caseload and cost of the program that must be considered.

Timeline

The redetermination process for MassHealth members began on April 1st, 2023, as required by the CAA. MassHealth must at least initiate renewals for all members by March 31st, 2024, though some processes may conclude after that date. Prior to the beginning of the renewal process, the Healey administration projected that approximately 300,000 to 400,000 members would be removed from coverage by the end of the redetermination process, with total MassHealth enrollment projected to be about 2 million members by the end of FY25. This caseload forecast has not changed as the redetermination process has been conducted, however MassHealth has indicated significant uncertainty in final caseload outcomes.

Redetermination Process

To verify a member's continued eligibility for MassHealth, the redetermination process includes three steps. First, members' eligibility is verified from available income data and state program information like SNAP and/or Temporary Assistance for Needy Families (TANF); if MassHealth can confirm a member's eligibility based on existing data, it's known as an "ex-parte" renewal and the member's coverage is maintained

[9] Tolbert, J. & Ammula, M. (2023). *10 things to know about the Unwinding of the Medicaid continuous enrollment provision.* KFF. https://www.kff.org/medicaid/issue-brief/10-things-to-know-about-the-unwinding-of-the-medicaid-continuous-enrollment-provision/
[10] Battlett, J. (2023). *'It is going to be disruptive.' MassHealth rolls set to shrink by 300,000 Healey estimates.* The Boston Globe. https://www.bostonglobe.com/2023/03/01/metro/it-is-going-be-disruptive-masshealth-rolls-set-shrink-by-300000-healey-estimates/

without requiring member action.[11] If eligibility cannot be verified, MassHealth sends a renewal form via the mail that is pre-populated for the enrollee to fill out and send back with requested documents. In most cases where an enrollee does not submit the renewal form within 45 days or the requested documentation within 90 days, their coverage is terminated. Members usually have at least 14 days after receiving a termination notice before their coverage stops.[12] Members are also required to notify MassHealth if their income or household composition changes throughout the year, allowing their eligibility to be verified sooner than their annual renewal date.[13]

MassHealth, along with governmental organizations like the Health Connector and external partners like Health Care For All, has implemented a robust communication and outreach strategy for members. The Legislature assisted in this effort by allocating $5.1 million for the communication plan for MassHealth enrollees in the Fiscal Year 2024 budget.[14]

Post-pandemic redeterminations present a logistical and operational challenge. First, the system must be able to handle the volume of necessary renewals, but MassHealth must also have the operational infrastructure to ensure that all renewals are assessed as efficiently and accurately as possible.

The redetermination process has always been a source of risk for coverage loss, even for members that still qualify for coverage. When a member loses coverage due to a failure to return paperwork, it's called a "procedural" or "administrative" termination, which are not uncommon. MassHealth worked throughout the pandemic to limit the risk of procedural terminations prior to restarting redeterminations by continuing to send renewal notices to members but not removing them from coverage. This was done to continue to gather updated information from those who responded, giving members improved chances for autorenewals when redeterminations did restart, and keep members used to the process of renewals. During that time, MassHealth found that only about 10 to 15 percent of members responded to renewal notices.[15] Since redeterminations have restarted, MassHealth has made significant workforce and system capacity improvements to limit procedural terminations including increasing staffing to account for a higher volume of renewal processing and member questions, coordinating with health plans to ensure members know what actions they need to take with their renewals, and using texts, emails, and robocalls to contact members who need to complete their renewal forms.

Redeterminations to Date

Since the start of the renewal process in April 2023, MassHealth has conducted 1.51 million renewals and enrollment has decreased from 2.42 million to 2.12 million, a net decrease of about 279,000 members (11.6 percent). To date, approximately 64 percent of members that have been removed from coverage have been

[11] Serafi, K. & Boozang, P. (2022). *The end of the federal continuous coverage requirement in MassHealth: Key strategies for reducing coverage loss.* Blue Cross Blue Shield Massachusetts Foundation. https://www.bluecrossmafoundation.org/sites/g/files/csphws2101/files/2022-04/ContinuousCoverage_IssueBrief_Apr22_FINAL_0.pdf

[12] Executive Office of Health and Human Services. Preparing for MassHealth renewals. https://www.mass.gov/doc/member-facing-redeterminations-slide-deck/download

[13] Blue Cross Blue Shield. (2022). The MassHealth Proposed Demonstration Extension 2022-2027: Building on success, focusing on equity. *MH_Demonstration_Ext_ExecSumm_FINAL.pdf (bluecrossmafoundation.org)

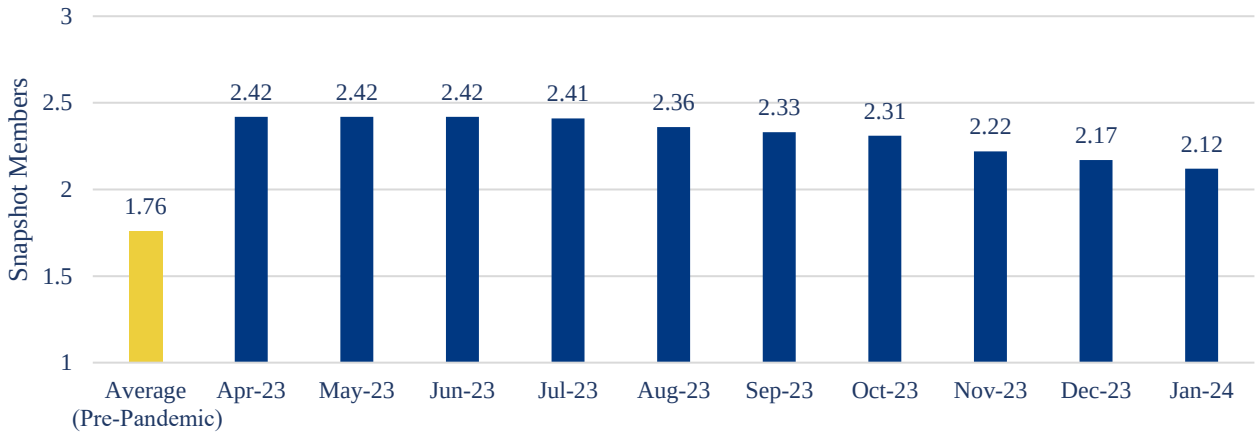
[14] Fiscal Year 2024 State Budget. Chapter 28 of the Acts of 2023. Section 2, line-item 4000-0300. https://malegislature.gov/Budget/FY2024/FinalBudget

[15] Health Care For All. (2021). *Health care for all applauds $5 million for MassHealth redetermination and vaccine outreach campaign in ARPA spending*. https://hcfama.org/ statement-health-care-for-all-applauds-5-million-for-masshealth-redetermination-and-vaccination-outreach-campaign-in-arpa-spending/

due to insufficient information[16], two percent because MassHealth was unable to contact the member and 34 percent due to confirmed ineligibility. Children have the lowest disenrollment rate for any age group, while adult enrollment has seen significant declines – a differential in renewal rates that was expected.

MassHealth's robust ex-parte, or auto renewal, system has allowed approximately 75 percent of individuals under the age of 65 to have their coverage auto renewed, as long as they remained eligible for the program and did not have their coverage "protected" during the FPHE. MassHealth tracks the autorenewal rate for individuals under the age of 65 separately, because those over 65 qualify for non-Modified Adjusted Gross Income (MAGI) Medicaid, which under newly approved federal guidelines surrounding ex-parte renewals allow for more automatic renewals.

Figure 2 – MassHealth Enrollment Trends from April – January 2024 (in millions)



On a monthly basis, MassHealth releases redetermination updates regarding auto renewals, reasons for enrollees being removed from coverage, outreach efforts, and more.[17] Looking at one month of the process (January of 2024) can give a sense of the various factors affecting total MassHealth enrollment during this process.

Table 4 – January MassHealth Enrollment Update

Newly joined	Rejoined	Departed
+ 21,000 members	+ 23,000 members	- 57,000 members
Net decrease of ~13,000 members		

Officials believe that the state is on track to redetermine the eligibility of all 2.4 million MassHealth members within the required time period and they note that disenrollment rates will begin to slow as redeterminations come to an end. November and December of 2023 saw the most significant departures per month coinciding with open enrollment at the Health Connector.[18] As MassHealth continues to experience

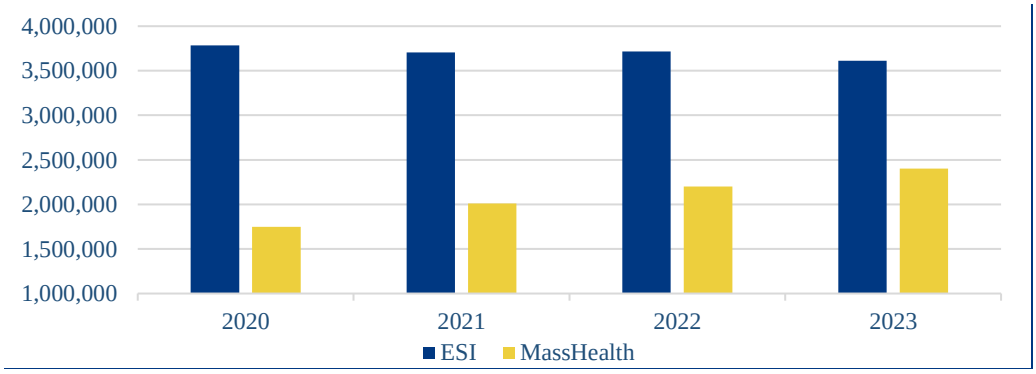
[16] Insufficient information refers to the member no responding to a renewal form or request for additional information while unable to contact refers to the member mail being returned to MassHealth, or other methods of outreach are not successful.
[17] MassHealth. (2023). *February 2024 update on MassHealth redeterminations.* Commonwealth of Massachusetts. https://www.mass.gov/doc/february-2024-redetermination-key-takeaways/download
[18] Lisinski, C. (2023). *MassHealth disenrollments slow as end of redeterminations near*. State House News Service. https://www.statehousenews.com/news/healthcare/masshealth-disenrollments-slow-as-end-of-redetermination-nears/article_272eabd6-d4cc-11ee-83fb-570d3daaf2a0.html?utm_source=statehousenews.com&utm_campaign=%2Fnews%2Fhealthcare%2Fmasshealth-disenrollments-slow-as-end-of-redetermination-nears%2Farticle-272eabd6-d4cc-11ee-83fb-570d3daaf2a0.html%3Fmode%3Demail%26-dc%3D1708974016&utm_medium=auto%20alert%20email&utm_content=headline

declines in caseload, it is important to note the impact that the redetermination process is having on other health insurance providers.

Implications on the Healthcare System

The end of continuous coverage and the restarting of redeterminations is expected to have significant impacts on the healthcare and insurance market. The hundreds of thousands of people losing MassHealth coverage will either be insured through the private market, qualify for coverage through the state's Health Connector, return to MassHealth, or become uninsured. The Center for Health Information Analysis (CHIA) gathers quarterly enrollment data for major health insurance providers like employers, ConnectorCare, and MassHealth.

Figure 3 – Enrollment Changes for ESI & MassHealth, March 2020-2023



Employer Sponsored Insurance (ESI)

ESI is the most common form of insurance for Massachusetts residents. Even after three years of MassHealth enrollment growth and a pronounced decline in ESI coverage, it continued to cover 50 percent more lives than the state's Medicaid program. Therefore, as MassHealth enrollment declines, ESI is likely to pick up a substantial share of those lost members. The shift of members from MassHealth to ESI could have cost implications for employers and small businesses. An increase in enrollment would increase total ESI premiums, but the makeup of those returning to ESI will affect the impact on enrollee costs. As noted above, working age adults comprise the largest segment of disenrolled MassHealth members, and that population is typically healthier and associated with a lower level of health care costs. Tracking the impact of MassHealth enrollment changes on ESI enrollment and employer and individual costs will be critical for policymakers and should influence decision-making on other health policy topics that have an impact on total health care costs.

The Health Connector and ConnectorCare

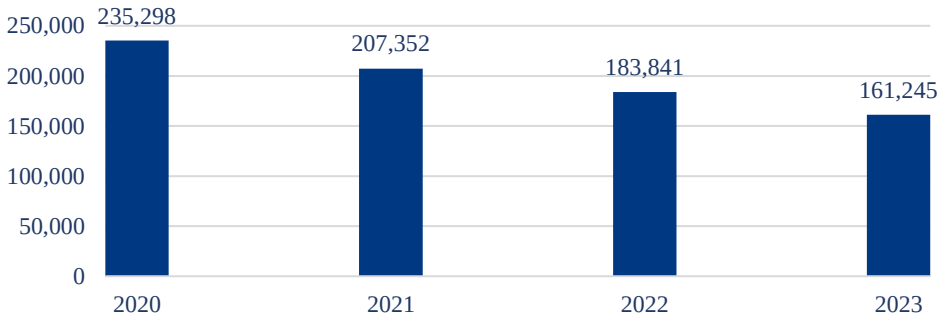
The MA Health Connector is a health insurance Marketplace that provides health and dental insurance coverage to over 275,000 individuals and small employers.[19] Residents of Massachusetts can utilize the Health Connector to shop for coverage, individuals who do not have access to health insurance either through an employer or other entity may qualify for help paying for their coverage, and small businesses can also purchase insurance through the Marketplace. ConnectorCare is a program within the Health

[19] Massachusetts Health Connector. (2023). *Pilot expansion of ConnectorCare reshapes affordability and plan options through the Health Connector.* https://www.mahealthconnector.org/pilot-expansion-of-connectorcare-release

Connector that provides access to insurance coverage with low premiums and co-pays and no deductibles for those who have qualifying incomes. As of February 2024, the Health Connector has seen a 37 percent year over year increase in enrollment,[20] with 94,000 people transitioning to the Health Connector after losing MassHealth coverage in January.[21] This change indicates that many people who have lost MassHealth coverage can still access affordable coverage via the Health Connector.

Throughout the pandemic, ConnectorCare enrollment steadily fell and decreased by 31.5 percent from 2020 to 2023. Now, the Administration expects between 100,000 to 200,000 individuals to enroll in Health Connector coverage between April 2023 to June 2024 due to two major changes: redeterminations at MassHealth and a new ConnectorCare expansion pilot program.[22] In the FY 2024 budget, Massachusetts lawmakers approved a new two-year ConnectorCare pilot program that expands the income limits for ConnectorCare from 300 percent of the Federal Poverty Level (FPL) to 500 percent[23] as of January 1, 2024, with an estimated 50,000 people to be newly enrolled in ConnectorCare.[24] Since the pilot program has only been in effect since the start of the year, its long-term impact on the uninsured population in Massachusetts, MassHealth enrollment, and the broader health insurance system, is yet to be seen and will require further analysis.

Figure 4 – Connector Care Enrollment, March 2020-2023



The pilot program is funded primarily through two sources: advance premium tax credits (APTCs) and the existing balance of the Commonwealth Care Trust Fund. APTCs are a federal tax credit that allow those who qualify to immediately lower their monthly health plan premium costs.[25] The Commonwealth Care Trust Fund contains funds designated to support health coverage costs and in recent years has built up a significant balance as expanded federal support has reduced Connector costs. As of March 2024, the balance of the fund exceeds $450 million.

[20] Grant, P., LaMontagne, E., Lefferts, J., Woltmann, M. (2024). Update on MassHealth Redeterminations and Open Enrollment 2024. https://www.mahealthconnector.org/wp-content/uploads/board_meetings/2024/02-08-24/Update-on-MassHealth-Redeterminations-and-Health-Connector-Open-Enrollment-020824.pdf

[21] MassHealth. (2023). *February 2024 update on MassHealth redeterminations.* Commonwealth of Massachusetts. https://www.mass.gov/doc/february-2024-redetermination-key-takeaways/download

[22] Lamontagne, E., Lefferts, J., Teixeira, N., & Woltmann, M. (2023). *Update on MassHealth redeterminations and enrollment transitions to the Health Connector*. Massachusetts Health Connector. https://www.mahealthconnector.org/wp-content/uploads/board_meetings/2023/06-08-23/Update-on-MassHealth-Redeterminations-VOTE-060823.pdf

[23] According to the U.S. Department of Health and Human Services, an individual making 500 percent of the FPL would have an annual income of $72,900.

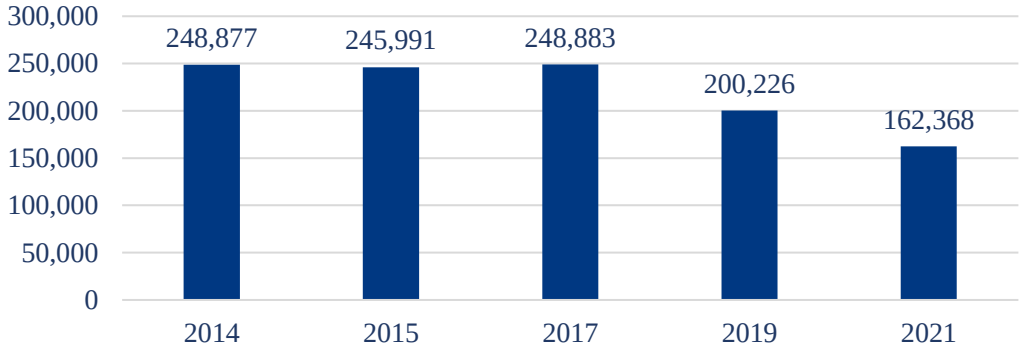
[24] Drysdale, S. (2023). *An estimated 50,000 people just became eligible for the state's low-cost health insurance.* WBUR. https://www.wbur.org/news/2023/08/15/low-cost-health-insurance-connectorcare-masshealth

[25] The Massachusetts Health Connector. *What is an Advance Premium Tax Credit (APTC)?* https://www.mahealthconnector.org/help-center-answers/aptc/what-is-an-advance-premium-tax-credit-aptc

Uninsured Population

CHIA health insurance surveys can be used to analyze changes in the size of the uninsured population. Beyond redeterminations being paused, the Medicaid expansion that began in 2014 allowed more low-income adults to obtain MassHealth, reducing the uninsured population. The figure below is the number of people identified as uninsured at the time of the survey. CHIA is currently in the process of contacting participants from the 2023 survey for follow up questions, and that information will be essential to further analyze the impact of the continuous coverage requirement on the uninsured population.

Figure 5 - Uninsured Population, 2014-2021



Unfortunately, one impact of MassHealth redetermination could be that the state's uninsured population will increase again. As with ESI and the Connector, carefully monitoring the change in the state's uninsured population and its impact on health care costs will be vital in the months ahead.

Experiences of Other States

Redeterminations in Other States

Currently, all 50 states are undergoing their redetermination processes, and their experience helps provide context for Massachusetts' efforts. The Centers for Medicare and Medicaid Services (CMS) have given states some flexibility in how they conduct their redeterminations. CMS required states to submit their plans describing how they will prioritize renewals, how long the process will take, and strategies to minimize inappropriate coverage loss during this time.[26] These plans needed to be submitted to the department by mid-February of 2023. According to a survey of states conducted by the Kaiser Family Foundation (KFF) in January 2023 on redetermination plans, 43 states planned to complete their redetermination processes over a 12 to 14 month period. Many states' plans reflect a focus on updating member contact information and following up with enrollees prior to terminating coverage if they have not received a response to renewal requests.[27] However, many states have also faced significant operational issues related to redetermination including staffing shortages and outdated computer systems.[28]

[26] Tolbert, J. & Ammula, M. (2023). *10 things to know about the Unwinding of the Medicaid continuous enrollment provision.* KFF. https://www.kff.org/medicaid/issue-brief/10-things-to-know-about-the-unwinding-of-the-medicaid-continuous-enrollment-provision/

[27] Brooks, T., Gardner, A., Yee, P., Tolbert, J., Corallo, B., Moreno, S., & Ammula, M. (2023). *Medicaid and CHIP eligibility, enrollment, and renewal policies as states prepare for the unwinding of the pandemic-era continuous enrollment provision.* KFF. https://www.kff.org/medicaid/report/medicaid-and-chip-eligibility-enrollment-and-renewal-policies-as-states-prepare-for-the-unwinding-of-the-pandemic-era-continuous-enrollment-provision/

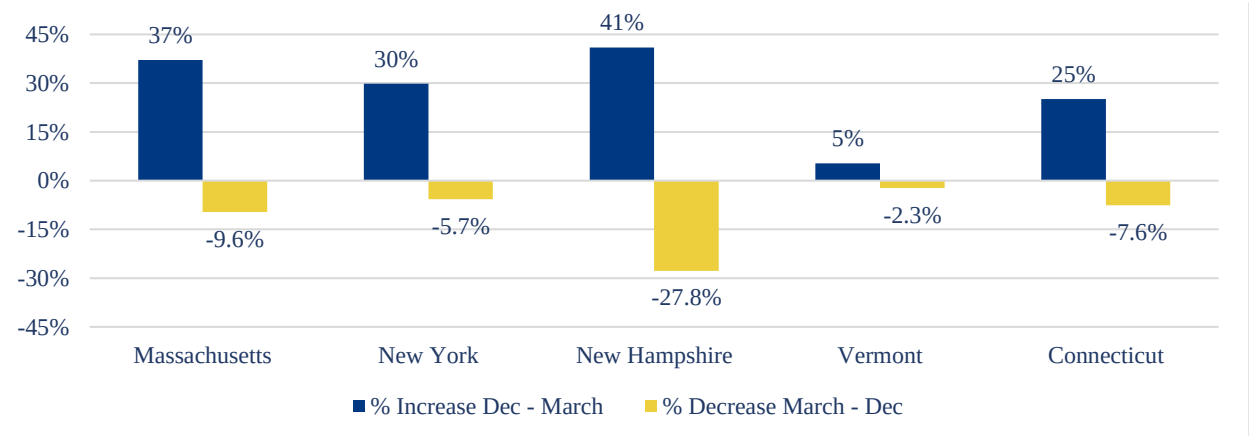
[28] Tolbert, J. & Ammula, M. (2023). *10 things to know about the Unwinding of the Medicaid continuous enrollment provision.* KFF. https://www.kff.org/medicaid/issue-brief/10-things-to-know-about-the-unwinding-of-the-medicaid-continuous-enrollment-provision/

At the start of the process, CMS estimated that about 15 million people would lose Medicaid coverage nationwide. Over half of those removed would be able to transition to employer sponsored insurance or state Marketplace coverage. However, in one study, about 45 percent of members were predicted to lose coverage due to procedural reasons.[29] With flexibility in renewal plans, vast differences in disenrollment rates exist between states.[30] Some of these discrepancies can be traced back to who is being targeted with early renewals, general renewal policies and system capacity. For example, some states like Texas targeted individuals thought to no longer be eligible or that did not reply to renewal requests during the pandemic first and are seeing a disenrollment rate of 66 percent. Others states like Illinois, are prioritizing ex-parte renewals through improved data collection and their member outreach campaigns, providing direct communication to enrollees.[31] Due in part to these initiatives, the state is seeing a much lower disenrollment rate of about 21 percent.

Concerningly across all states for which KFF has data, 73 percent of all people disenrolled have lost coverage due to procedural reasons. To limit these types of administrative terminations, CMS has permitted states to adopt policies that allow for autorenewal based on other state programs, like SNAP or TANF, and to partner with Managed Care Organizations (MCOs) for data sharing of member contact information. As of February 24th, 2023, CMS has granted 188 temporary waivers to 47 states to support these types of initiatives.

When doing comparative state analysis for redeterminations, MassHealth generally compares against five states in the region. All five of these states have focused on limiting procedural terminations and maintaining coverage for those who remain eligible. Like Massachusetts, all these states have focused on accomplishing this goal by implementing a proactive outreach campaign to members to inform them of the renewals process.

Figure 6 - Changes in State Medicaid Enrollment, December 2019 - March 2023 v. March 2023 - December 2023



[29] Baumgartner, J., Coleman, A., & Federman,S. (2023). *The end of the continuous Medicaid coverage requirement will mean coverage losses for people – especially in nonexpansion states.* The Commonwealth Fund. https://www.commonwealthfund.org/blog/2023/end-continuous-medicaid-coverage-requirement-will-mean-coverage-losses-nonexpansion#:~:text=Nationwide%2C%20about%2015%20million%20people,reasons%20despite%20still%20being%20eligible.

[30] KFF. (2023). *Medicaid Enrollment and Unwinding Tracker*. https://www.kff.org/medicaid/issue-brief/medicaid-enrollment-and-unwinding-tracker/#background

[31] Illinois.gov. (2023). *Pritzker administration launches campaign to protect Medicaid coverage.* https://www.illinois.gov/news/press-release.26178.html#:~:text=The%20Illinois%20Department%20of%20Healthcare,are%20ready%20for%20required%20upcoming

The figure above depicts the percent change in Medicaid enrollment for Massachusetts, New York, New Hampshire, Vermont, and Connecticut, from pre-pandemic levels (December 2019) to peak pandemic enrollment (March 2023) and peak pandemic enrollment to current enrollment (December 2023). It is notable that while Massachusetts' disenrollment rate trails only New Hampshire, Massachusetts saw the second highest enrollment growth during the PHE as well. In fact, MassHealth enrollment remains almost 25 percent above the pre-pandemic level, the highest such figure among nearby states.

Table 5 – Changes in State Medicaid Enrollment, December 2019 - December 2023

State	**Pre-Pandemic** (Dec 2019)	**Current** (Dec 2023)	Percentage Change
Massachusetts	1.75	2.17	24%
New York	6.10	7.47	23%
New Hampshire	0.18	0.18	2%
Vermont	0.20	0.20	3%
Connecticut	0.83	0.96	16%

in millions

Main Takeaways

Throughout the PHE and the implementation of the continuous coverage requirement, MassHealth experienced significant growth in both its enrollment, from 1.8 to 2.4 million and its federal reimbursement rate. The end of the PHE saw the end of continuous coverage and enhanced reimbursement revenue, requiring states to restart their Medicaid redetermination process at the same time the state share of Medicaid costs increased. This year's redetermination process presents a logistical challenge due to the increased number of members that need to be redetermined and will have significant impacts on individuals seeking healthcare coverage, the insurance market, and the state budget.

The ongoing redetermination process has involved a variety of stakeholders working in partnership with the Commonwealth to ensure that MassHealth enrollees are knowledgeable and prepared for the continued redetermination process through outreach campaigns, staffing increases and technological advancements. Some of these advances like calling and texting members regarding renewals will remain in place after this wave of renewals are completed. Preventing unnecessary disruptions in coverage is essential and should be the guiding principle behind any policy changes regarding renewals. According to a Massachusetts Medicaid Policy Institute report, individuals who experience gaps in coverage, regardless of length, face difficulties accessing affordable and high quality care in the future, resulting in poorer outcomes and higher costs to the system.

The current redetermination process has impacts on all aspects of the health insurance system, from employer sponsored insurance, to ConnectorCare, to the number of people uninsured. With the redetermination process still underway the longer term impacts of those entering either of these categories is unknown.

Lawmakers will need to assess the sustainability of the MassHealth program with enrollment rates post-redeterminations expected to be higher than pre-pandemic numbers. As the redetermination process continues, it will be essential to assess the amount of people moving to the Health Connector, private insurance, or becoming uninsured.