

United States Senate

WASHINGTON, DC 20510

February 21, 2023

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, D.C. 20201

Dear Administrator Brooks-LaSure:

Thank you for your work to ensure high-quality, continuous, and comprehensive coverage for children in Medicaid and the Children's Health Insurance Program (CHIP). We urge you to take steps now to ensure the gains we've made in reducing the number and rate of uninsured children are not lost as the COVID-19 Medicaid Maintenance of Effort (MOE) soon comes to an end and eligibility redeterminations commence. Specifically, we urge the Centers for Medicare and Medicaid Services (CMS) to work with those states that have yet to adopt the children's continuous eligibility state option for both Medicaid and CHIP to take up this option before Medicaid redeterminations commence.

Thanks to Congressional efforts to protect coverage during the COVID-19 pandemic, the uninsured rate for children has declined by more than five percent since 2019. As a result of the bipartisan *Families First Coronavirus Response Act* (FFCRA)'s continuous enrollment provision for Medicaid and CHIP and the *American Rescue Plan* (ARP)'s enhanced Affordable Care Act (ACA) subsidies and state option for postpartum coverage, over the past two years, uninsured rates among adults dropped from 14.5 percent to 11.8 percent and fell from 6.4 percent to 3.7 percent for children.¹ All Medicaid beneficiaries, including children, have been continuously enrolled since the enactment of the Medicaid continuous eligibility MOE in March 2020, as included in the FFCRA. These gains in coverage have not only helped to strengthen access to care, reduce health disparities, and improve health outcomes, but they have enhanced financial security for American families.

As you are aware, Congress took action to unwind the FFCRA's MOE provision in the bipartisan *Consolidated Appropriations Act, 2023* (CAA), signed into law in late December 2022. The CAA allows states to start conducting redeterminations and dis-enroll ineligible beneficiaries – including children – from state Medicaid programs beginning April 1, 2023. State Medicaid agencies will soon be tasked with conducting eligibility redeterminations for the first time in almost three years. However, the CAA also included various provisions that will greatly improve the health and well-being of millions of children and families across the country. One of these provisions (Division FF, Section 5112) requires all states to provide 12 months of continuous eligibility for all children under the age of 19 in Medicaid and CHIP, effective January 1, 2024.

¹ <https://www.hhs.gov/about/news/2022/08/02/new-hhs-report-shows-national-uninsured-rate-reached-all-time-low-in-2022.html#:~:text=Uninsured%20rates%20among%20adults%20ages,3.7%20percent%20in%20early%202022.>

Without continuous eligibility, eligible Medicaid and CHIP beneficiaries periodically “churn” or lose coverage only to regain it again just weeks or months later. These children do not lose coverage because they become ineligible for the program in the long term. Instead, they are often disenrolled from the program because their parents picked up an extra shift at work or missed a phone call or piece of mail. Churning in and out of health coverage has a direct, negative effect on children who rely on Medicaid and CHIP, as well as the ability of doctors, hospitals, and health plans to provide effective, continuous care.² Continuous eligibility for children has been a state option for decades, with the majority of states choosing to adopt the option to ensure continuous coverage for kids. Unfortunately, a handful of states have yet to adopt the option for children on Medicaid or CHIP.³

Making continuous eligibility a nationwide policy will ensure continuous coverage and access to essential health care services for the nearly 45 million children enrolled in Medicaid and CHIP, even as the MOE phases out. Unfortunately, as nationwide continuous eligibility for children will not be effective until January 1, 2024, there will be a gap where children in the remaining holdout states could once again be at risk of churning when redeterminations begin. A recent report found that children will be disproportionately impacted by the MOE unwinding, with 5.3 million children estimated to lose coverage; of those, nearly 3.9 million are estimated to lose coverage due to churn.⁴ As CMS has previously acknowledged, early adoption of the continuous eligibility requirement could mitigate coverage losses in those states.⁵

Therefore, we urge CMS to take action now to work with those states that have yet to adopt the children’s continuous eligibility state option for both Medicaid and CHIP to take up this option before Medicaid redeterminations commence, and ensure successful renewals for eligible children. Implementing the continuous eligibility state option before the federal requirement’s effective date would allow states to devote their already scarce resources to initiating and completing redeterminations—instead of conducting periodic income checks for children. This could put children in Medicaid at risk of churning and unjustly losing their coverage—coverage that they have relied on for the past three years and that has helped reduce our Nation’s uninsured rate for children. We also urge CMS to issue regulations as soon as possible to assist states as they adopt the new state requirement.

If the remaining holdout states adopted the continuous eligibility state option before the federal requirement’s effective date and completed successful renewals for impacted children, millions of kids across the country could continue to rely on their coverage through the end of the year. Therefore, we urge you to take steps to work with each of these states to ensure that children across the country have continuous coverage as the MOE soon comes to an end and eligibility redeterminations commence and prevent the potential for coverage losses among children across the nation.

² <https://www.kff.org/medicaid/issue-brief/implications-of-continuous-eligibility-policies-for-childrens-medicaid-enrollment-churn/#:~:text=Under%20current%20law%2C%20states%20have,there%20are%20fluctuations%20in%20income.>

³ <https://ccf.georgetown.edu/2023/02/01/child-uninsured-rate-could-rise-sharply-if-states-dont-take-care/>

⁴ <https://aspe.hhs.gov/sites/default/files/documents/60f0ac74ee06eb578d30b0f39ac94323/aspe-end-mcaid-continuous-coverage.pdf>

⁵ <https://www.medicaid.gov/federal-policy-guidance/downloads/sho22001.pdf>

Thank you for your consideration. We look forward to hearing from you and continuing to work to ensure children across the country have stable and continuous health care coverage.

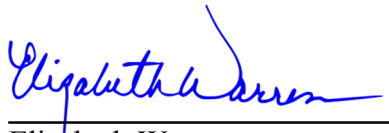
Sincerely,



Sherrod Brown
United States Senator



Raphael Warnock
United States Senator



Elizabeth Warren
United States Senator



Richard Blumenthal
United States Senator



Tammy Baldwin
United States Senator



Michael F. Bennet
United States Senator



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United States Senator



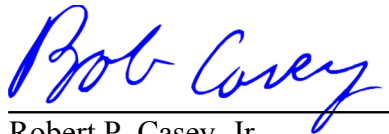
Sheldon Whitehouse
United States Senator



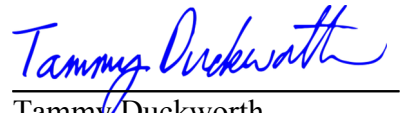
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