











Continuous Eligibility of Medicaid supports kids and strengthens communities

[HF914 (Noor), SF531 (Wiklund)]

When Minnesotans get the health care they need, they can live their lives fully, in the communities they choose, and contribute to building their futures. Minnesota has a strong history of investing in health care and can continue to make the state's health care system more equitable so that it works for everyone, regardless of income, address, age, disability, race, ethnicity, or gender.

"Churn" disrupts care and will get worse

Medicaid "churn" happens when people are repeatedly dropped from Medical Assistance (MA) due to problems with redetermination or small eligibility changes, only to re-enroll months later. It is a chronic problem that causes costly disruptions to care for Minnesota children and adults, as well as the providers and state agencies that serve them.

During the COVID pandemic, Minnesota complied with federal requirements to keep people enrolled during the public health emergency and new monthly MA applications dropped off dramatically because people who were eligible weren't being dropped and forced to re-enroll multiple times per year. "Continuous eligibility increases well-baby and child doctor visits and important screening for developmental delays and health issues."

- Laura LaCroix Dalluhn, Prenatal to Three Coalition

When regular eligibility processes resume, we can expect to see a spike in the number of Minnesotans losing care and coverage, given the large number of renewals to process and the length of time since counties contacted enrollees.

HF914/SF531 would smooth that transition and implement the eligibility lessons of the pandemic through three policies: Maintain 12-month continuous eligibility of Medicaid for adults and children over the age of six, maintain multi-year continuous eligibility for children up to age six, and reduce churn by codifying DHS best practices for outreach to enrollees. This bill:

• Ensures that once determined eligible for MA, enrollees would be eligible for 12 months, without the threat of losing coverage due to changes such as small fluctuations in income or issues with periodic data matching. Thirty-four states already offer this for children, and several states offer or plan to offer continuous eligibility for adults (IL, MT, NY and OR).

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• Protects children from being dropped from coverage due to system or parental error, and encourages confidence in scheduling and keeping medical, dental, and mental health appointments with trusted providers for children and adults.

"Loss of coverage disrupts treatment. According to one study, people with schizophrenia were 29% more likely to experience churn than those with depression."

- Sue Abderholden, NAMI-Minnesota

- Offers an off-ramp to adults transitioning to better paying jobs, and stabilizes access to mental health care and critical medications for vulnerable adults.
- Strengthens health equity -- people of color are at greater risk of losing Medicaid coverage for procedural reasons when the continuous coverage protection ends, and the 2022 DHS report "<u>Building Racial Equity into the</u> <u>Walls of Minnesota Medicaid</u>" recommends continuous eligibility for 72 months up to age 6, and 24 months eligibility for older enrollees.
- Ensures young children who are enrolled in Medicaid have uninterrupted continuous coverage. Consistent access to medical care and check-ups improves children's health outcomes, supports school readiness, supports health equity, and lowers administrative burdens on families.
- Allows for more predictable access to care for children, facilitating early screenings and early
 interventions that improve lifelong outcomes and mitigate costlier care as children age. Evidence
 shows 85% of the brain's development occurs before a child's sixth birthday. Healthy development
 during these critical years is needed to be prepared for all future physical, mental, and emotional
 learning.
- Codifies best practices to ensure DHS has the most up to date mailing addresses and contact information for MA enrollees and makes at least two attempts to contact enrollees if mail is returned before issuing a notice of pending disenrollment.