



Medicaid Redetermination and What It Means for Millions of Americans

Medicaid is an essential safety net for tens of millions of hard-working Americans, children, older adults, people with disabilities, and veterans – a role that was never more evident than during the COVID-19 public health crisis.

Due to the economic challenges caused by the pandemic, millions of Americans turned to Medicaid for critical health care coverage. In fact, enrollment in Medicaid and the Children's Health Insurance Program (CHIP) has grown by over [20%](#) since February 2020. State Medicaid programs were able to adapt to help meet the health needs of a significantly larger number of their residents thanks to additional funding from the federal government.



However, anticipated changes in the federal government's policies could result in up to [16 million Medicaid enrollees](#) losing their health coverage.

At this critical juncture, the Modern Medicaid Alliance is urging policymakers and Medicaid officials to act now to ensure a smooth transition back to normal operations and improve the redetermination process for the long term for the millions of Americans who rely on Medicaid for affordable, high-quality care.

Strengthening Medicaid in Anticipation of a Public Health Crisis

At the beginning of the pandemic, Congress took important steps to ensure the millions of Americans relying on Medicaid would not lose their health coverage during the public health emergency (PHE):

- Temporarily provided increased federal funding for states' Medicaid programs through a 6.2% increase in the Federal Medical Assistance Percentage (FMAP); and,
- Required states that accepted the increased funding to abide by maintenance of effort (MOE) provisions to keep individuals enrolled in their respective Medicaid programs.

As a result, high-quality, affordable health care coverage has been accessible for the 1 in 4 Americans – nearly 85 million people – who needed it most as our country coped with a devastating public health crisis.

The Impact of a Strengthened Medicaid Program Vulnerable Americans

Medicaid enrollment surged as the pandemic evolved, and these enhanced patient protections played a vital role in protecting the most vulnerable.

- From February 2020 through November 2021, total Medicaid and Children's Health Insurance Program (CHIP) enrollment grew by more than [20%](#) nationwide.
- Medicaid and CHIP enrollment has increased by over [14 million Americans](#) since the beginning of the pandemic.
- Many of these new enrollees have come from the [communities](#) hardest hit by the pandemic, including frontline workers, those with substance use disorders and behavioral health concerns, and communities of color.
- From February 2020 through June 2021, children's enrollment increased by [11%](#). As a result, about [half](#) of the nation's children are currently covered by Medicaid or CHIP.



Medicaid Coverage Is At Risk for Millions

While the PHE has repeatedly been extended as COVID-19 persists, the Administration is expected to begin unwinding the emergency provisions in the coming months. This will mean the expiration of increased federal Medicaid funding and the MOE provisions.

As a result, states will resume eligibility redeterminations and terminations, potentially triggering significant coverage losses. This will also pose significant challenges for states as they cope with transitioning millions of residents to new sources of health care coverage.

Projections show that up to [16 million people](#) could lose coverage after the expiration of the public health emergency, including nearly [6.7 million children](#).



People may become ineligible to renew their coverage if they have a change in income, or they may still be eligible but face administrative barriers to complete the redetermination process. While many would likely be eligible for other subsidized health insurance coverage, higher costs could prevent eligible individuals from enrolling.

Disruptions in coverage pose negative consequences for both individuals and states. Medicaid [enrollees who face fluctuations in coverage](#) are more likely to report difficulties receiving care and are also more likely to end up in the hospital for a preventable condition. Disenrolling and then processing a new application also drives up [unnecessary administrative costs](#) within the overall system, and has the potential to overwhelm state and federal systems.

Urgent Action Is Required

The Modern Medicaid Alliance and our partners will continue to advocate for a smooth transition back to normal operations when the maintenance of coverage provision ends, including certainty regarding the end date of the PHE; at least 120 days of planning time before redeterminations begin, and for states to use the full 14 months allotted instead of rushing through the process and potentially erroneously terminating coverage for individuals who are still eligible for Medicaid; and improving the redetermination process for the long term for the millions of Americans who rely on Medicaid for affordable, high-quality care.