



## MEMORANDUM

**TO:** Michigan Department of Health and Human Services

**ATTN:** Meghan Groen, Senior Deputy Director, Behavioral and Physical Health and Aging Services Administration, Nicole Hudson, Senior Advisor of Special Projects, and David Kenzek, Chief Operating Officer

**FROM:** Monique Stanton, President and CEO of the Michigan League for Public Policy

**DATE:** May 23, 2024

**RE:** Recommendations for Medicaid and CHIP re-enrollment after the end of Michigan's public health emergency unwinding plan

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## EXECUTIVE SUMMARY

The Michigan League for Public Policy (League) has produced a set of recommendations for the Michigan Department of Health and Human Services (MDHHS) Behavioral and Physical Health and Aging Services Administration (BPHASA) as it prepares to complete the federal public health unwinding renewal process for Medicaid and the Children's Health Insurance Program (CHIP).

These recommendations are intended to support the transition of the "unwinding" process to a re-enrollment process for those eligible for Medicaid and CHIP who lost coverage and to improve renewal processes and outcomes in the future. The recommendations cover strategies for short-term, long-term and continuation efforts the state can pursue. Specifically, we recommend launching a re-enrollment campaign and boosting outreach, maintaining and advancing renewal best practices, and long-term policy improvement. We also want to support effective transitions to alternative forms of coverage for those who were established after the review to be ineligible for Medicaid or CHIP. We hope that this set of recommendations can also be used to improve the efficiency of renewal and enrollment procedures in the long term.

If you have questions or wish to discuss these recommendations in greater detail, please contact Rachel Richards, Fiscal Policy and Government Relations Director, at [richards@mlpp.org](mailto:richards@mlpp.org).

## BACKGROUND

May 2024 marks the end of the renewal process timeline. After maintaining coverage through the COVID-19 pandemic, everyone enrolled in Medicaid or CHIP had to undergo a redetermination process to verify ongoing eligibility. Like other states, Michigan had one year to complete this process, which began in May 2023.

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Although over one million people were able to stay covered, the MDHHS data dashboard reports over 687,000 have lost their insurance coverage as the process comes to an end.<sup>1</sup> Of people who lost coverage, 127,000 disenrollments were determined ineligible for reasons such as being over the income threshold, being out of the household, and having assets that exceeded eligibility thresholds. The remaining 560,000 disenrollments were due to procedural disenrollment, meaning the renewal process was not completed.<sup>2</sup> Procedural disenrollment could be because of outdated contact information, paperwork not being completed within a specific timeline, not receiving notices and other reasons. Many people who were procedurally disenrolled are likely still eligible for coverage. Now it is critical to boost re-enrollment and improve the renewal process for the future.

The League appreciates the department's efforts throughout the unwinding process and recognizes the shared commitment to ensuring eligible Michiganders and their families can enroll in quality, affordable health coverage with fewer barriers. We support the policy priority, as outlined in the governor's budget proposal, to eliminate the MICHild premium; this is an important change that will improve children's health care access throughout the state. Moving forward, the League encourages MDHHS BPHASA to consider the following recommendations as it ends the unwinding process and implements strategies to boost outreach and re-enroll eligible Michiganders.

## RECOMMENDATIONS

### **Launch a re-enrollment campaign and boost outreach**

***Publicly report disaggregated data and indicators from the unwinding process.*** Disaggregated indicators such as age, race, program, or sub-state region can help identify trends in renewal or disenrollment patterns across the state and inform changes to improve future enrollment. States such as Kentucky, Indiana, New York, Oklahoma, Virginia and Washington were successful in publicly reporting their states' disaggregated data during unwinding.<sup>3</sup> Geographical data, particularly ZIP codes, should be used to create geo-maps, which can help visualize disenrollment impacts across the state. Using this demographic data can help target future outreach and re-enrollment efforts and highlight the disproportionate impact of unwinding on economically or socially marginalized groups.

***Conduct a disenrollment survey.*** The state should conduct a disenrollment survey for those procedurally disenrolled to determine what caused people to lose their coverage. Utah and California have conducted similar surveys and gathered key data on people who lost Medicaid coverage.<sup>4</sup> Conducting such a survey could be an opportunity to collect disaggregated demographic data, particularly if MDHHS is not able to otherwise analyze or report it. As part of sampling for the survey, an attempt should be made to contact those who did not respond to the

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<sup>1</sup>Michigan Medicaid Renewals Data. <https://www.michigan.gov/mdhhs/end-phe/michigan-medicaid-renewals-data>.

<sup>2</sup>Michigan Medicaid Renewals Data. <https://www.michigan.gov/mdhhs/end-phe/michigan-medicaid-renewals-data>.

<sup>3</sup>"State Dashboards to Monitor the Unwinding of the Medicaid Continuous Coverage Requirement (Cross-Post)." SHADAC, February 12, 2024. <https://www.shadac.org/news/dashboards-monitor-continuous-unwind-shvsEP>.

<sup>4</sup>Lighthouse Research and Development, Inc, "Former Medicaid Member Online Survey Report," Utah Department of Health and Human Services, 2023, [https://kffhealthnews.org/wp-content/uploads/sites/2/2024/01/DHHS-Medicaid-Disenrollment-Online-Survey-Report\\_FINAL\\_2023.pdf](https://kffhealthnews.org/wp-content/uploads/sites/2/2024/01/DHHS-Medicaid-Disenrollment-Online-Survey-Report_FINAL_2023.pdf).

California Department of Health Care Services, "Medi-Cal Continuous Coverage Unwinding: Procedural Disenrollment Survey," February 12, 2024, <https://www.dhcs.ca.gov/dataandstats/Documents/Medi-Cal-Disenrollment-Survey-Month-1-2024.pdf>.

renewal packet. It is important that beneficiaries who lost coverage for procedural reasons are contacted through this survey so the state can understand all the communication and enrollment barriers, in addition to providing eligibility and re-enrollment information. If there are glitches in the system or other issues, they can be identified and resolved.

***Send targeted messages to beneficiaries who did not respond or were procedurally disenrolled.***

Michigan should focus considerable energy on reaching out to people who have been terminated for procedural reasons and assisting them in enrolling in Medicaid or other coverage programs for which they still qualify. This list of people should receive targeted messages with reminders that it's not too late to enroll, eligibility levels, coverage options and easy-to-understand action steps for re-enrollment.

Michigan could also use the geo-mapping discussed previously to engage health care providers and community-based organizations in areas where procedural disenrollments were high to assist with outreach and echo re-enrollment messages.

***Improve communication efforts with social media.*** Michigan should work to provide clear and accessible communications about eligibility determinations through social media so enrollee communication will improve. Communication materials that have simple messaging to move people to take action can be effective and should be used during a re-enrollment campaign. Nationally, states have reported enrollees continue to experience excessively long call center hold times, especially for non-English-speaking callers, lack consistent language access for people with proficiency in a language other than English, and receive unintelligible "Notice of Action" letters.<sup>5</sup> Changing notices would be tedious; instead, MDHHS could focus efforts on improving communication through marketing re-enrollment efforts on the department's landing page and social media pages. Creating "how-to" videos and explainers in multiple languages that show people how to enroll and use the MI Bridges website would be a helpful new resource. Additionally, developing a social media communication toolkit that can be distributed among partners and the MDHHS' social media platforms is a low-cost way to reach people.

***Engage schools and school-based health clinics through targeted messaging to motivate parents to enroll their children and teens or to renew their coverage.*** Michigan should maximize its partnerships with schools to conduct targeted messaging to parents whose children have lost coverage through Medicaid and CHIP. Messages can explain that many children remain eligible even if the parent is not. Information on eligibility levels, coverage options, covered services and action steps for re-enrollment should be included in the messages. Additionally, the state should connect with school districts and school-based health centers throughout the state to target enrollment efforts. Michigan schools and school-based health clinics can be reimbursed for enrollment efforts through administrative claiming, which could be an incentive for schools to be more engaged in outreach and enrollment efforts.

***Partner with community stakeholders for enrollment efforts.*** Re-enrolling individuals who were disenrolled for procedural reasons should now be a top priority. The state should engage local partners and stakeholders interested in helping re-enroll eligible individuals who remain eligible but lost coverage. Community groups may foresee challenges unique to the populations they serve and can offer their insight as solutions. Allowing for input and feedback from various organizations from across the state will fortify Michigan's efforts of enrolling eligible residents and make for process and policy improvements in the future.

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<sup>5</sup>Community Catalyst, "Medicaid Unwinding Sign On Letter," Community Catalyst, March 12, 2024, [https://communitycatalyst.org/wp-content/uploads/2024/03/Medicaid-Unwinding-Sign-On-Letter\\_3.12.24.pdf](https://communitycatalyst.org/wp-content/uploads/2024/03/Medicaid-Unwinding-Sign-On-Letter_3.12.24.pdf).

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## **Maintain and advance renewal best practices implemented during the unwinding**

***Implement improvements to the ex parte renewals system for Medicaid/CHIP.*** Ex parte describes the process where enrollee eligibility is verified through available third-party electronic data sources. The state should invest in technical assistance to examine and improve the ex parte rate system. Improving and implementing a permanent ex parte renewals system will alleviate the need for enrollees to submit forms and supplemental documentation to maintain coverage, ultimately reducing churn among beneficiaries and workload for state benefit workers. Michigan should explore and take up the (e)(14) waivers that make an effort to drive improvement in ex parte renewals. For example, the state should adopt automatic renewals based on previous data for people up to 100% of the Federal Poverty Level.

***Adopt all 1902(e)(14) waivers on a permanent basis.*** Michigan should make permanent all of the flexibilities initiated under Section 1902(e)(14) waivers that the Centers for Medicare & Medicaid Services (CMS) approves, including all flexibilities that promote auto-renewal based on data matches showing continued eligibility. Unwinding waivers will remain in effect until at least the end of 2024.

## **Longer-term policy improvement**

***Implement Express Lane Eligibility for children's ex parte renewals.*** During the unwinding, Michigan has improved the ex parte renewals for people receiving benefits under the Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF) program. It is unclear if these flexibilities will be allowed after the end of 2024 but the state has similar options under existing rules. Adoption of Express Lane Eligibility (ELE) would allow for children's eligibility to rely on findings for other benefits including SNAP, TANF, School Lunch programs, Head Start, and the Women, Infant, and Children's Program (WIC) to streamline and simplify the application and renewal process for children to increase auto-renewals.

***Adopt multi-year Medicaid coverage for young children.*** Michigan can learn from other states' progress on continuous coverage requirements by adopting multi-year Medicaid coverage to ensure healthy development during the formative early childhood years, protecting young children from a loss of coverage at renewal time due to temporary fluctuations in family income, confusion over requirements or lost paperwork. These issues caused children and families to lose coverage for procedural reasons during the unwinding; multi-year continuous eligibility would mitigate these occurrences. This change requires a federally approved Section 1115 waiver, which has been approved in three states and encouraged by the Biden administration. This change would benefit over 334,000 children ages 0-5 insured by Medicaid as of December 2023.<sup>6</sup> The League is supportive of this policy change and has included it in our fiscal year 2025 budget advocacy.<sup>7</sup>

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<sup>6</sup>Michigan Department of Health and Human Services, Bureau of Medicaid Policy and Health System Innovation special run.

<sup>7</sup>Michigan League for Public Policy, "2024 Budget Priority: Support Continuous Coverage and Access to Healthcare," MLPP, March 22, 2023, <https://mlpp.org/2024-budget-continuous-medicaid/>.

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