

## **POLICY BRIEFING ON ENSURING CHILDREN ARE INSURED WITH CONTINUOUS COVERAGE**

Amidst the COVID-19 public health emergency, the federal government prohibited states from disenrolling Medicaid members. During this time of continuous Medicaid eligibility between March 2020 and December 2022, the share of uninsured children in the U.S. decreased from 6.7% to 3.7%. This finding has prompted states to seek permission through Medicaid 1115 waivers to provide continuous eligibility for children. In 2022, Oregon became the first state to allow Medicaid-eligible children to enroll at birth and remain enrolled without having to reapply until their 6th birthday. As of February 2024, Oregon, New Mexico, and Washington have approved waivers for multi-year continuous coverage for children. Hawaii, Minnesota, North Carolina, and Pennsylvania have requests pending with the Centers for Medicare & Medicaid Services.

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### **About Evidence Impact Labs**

Evidence Impact Labs is a health policy consultancy that develops, analyzes, evaluates and advocates for health policies, programs and services that improve access to affordable healthcare.

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## **The importance of continuous coverage for children**

Amidst the COVID-19 public health crisis, the federal government prohibited states from disenrolling Medicaid members, despite changes in their eligibility status. Prior to the pandemic, Medicaid beneficiaries whose eligibility was based on a modified adjusted gross income (MAGI) were required to renew their eligibility once every 12 months, and for individuals enrolled on a non-MAGI basis, eligibility had to be renewed at least once every 12 months but varied by state. Renewal forms were required to be submitted online, by mail, telephone, or in person. Approximately 41 million children are covered by Medicaid and CHIP.

Prior to 2020, approximately 17 million people were disenrolled from Medicaid or Children's Health Insurance Program (CHIP) each year, not just due to eligibility loss but also because of procedural errors or delayed paperwork. Between the fourth quarter of 2020 and the first quarter of 2022, the share of uninsured children in the U.S. decreased from 6.7% to 3.7% due to the pandemic's continuous eligibility requirement. Addressing gaps in coverage is vital for improving health equity by increasing access to care and reducing delays in care. Medicaid and CHIP eligibility renewals, as well as coverage terminations for ineligible individuals, resumed on April 1, 2023.

## **Utilizing Medicaid 1115 waivers to ensure coverage**

Some states are now seeking permission through Medicaid 1115 waivers to provide continuous eligibility for children. Section 1115 Medicaid demonstration waivers provide federal approval for states to operate Medicaid programs differently from federal standards by allowing them to design or enhance programs that improve care, increase efficiency, or reduce costs.

In 2022, Oregon became the first state to allow Medicaid-eligible children to enroll at birth and remain enrolled without having to reapply until their 6th birthday, regardless of changes that would otherwise make them ineligible. In addition, Medicaid-eligible individuals aged six and older will maintain coverage for a minimum of 24 months, regardless of changes that would otherwise disqualify them from Medicaid. This approach ensures children retain their health coverage, regardless of ineligibility or untimely completion of paperwork by parents or guardians. In 2019, over 70,000 Medicaid-enrolled children younger than 6 in Oregon, experienced churn, with 29,000 children encountering gaps in coverage lasting greater than six months. Churn refers to when enrollees temporarily lose Medicaid coverage but re-enroll within a short period. As of February 2024, Oregon, New Mexico, and Washington have approved waivers for multi-year continuous coverage for children. Hawaii, Minnesota, North Carolina, and Pennsylvania have requests pending with the Centers for Medicare & Medicaid Services.

### **Ensured children are insured**

To ensure that children maintain health insurance coverage, more states should expand continuous coverage for children through Medicaid 1115 waivers. Children with continuous health coverage are guaranteed access to preventative, primary care and emergency services that are essential for long-term wellbeing. Coverage gaps increase the likelihood of unmet medical needs including missed vaccine appointments, check-ups and not receiving necessary treatment when they are unwell.

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