

November 1, 2022

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
7500 Security Blvd
Baltimore, MD 21244

Re: CMS-2421-P Streamlining the Medicaid, Children's Health Insurance Program, and Basic Health Program Application, Eligibility Determination, Enrollment, and Renewal Processes, Propose rule, (Vol. 87, No. 172) September 7, 2022.

Dear Administrator Brooks-LaSure:

On behalf of our nearly 5,000 member hospitals, health systems, and other health care organizations and our clinician partners — including more than 270,000 affiliated physicians, two million nurses, and other caregivers — and the 43,000 health care leaders who belong to our professional membership groups, the American Hospital Association (AHA) appreciates the opportunity to provide comments on the Centers for Medicare & Medicaid Services' (CMS) proposed rule to streamline the eligibility, enrollment and renewal process for Medicaid and the Children's Health Insurance Program (CHIP).

The AHA supports the proposed rule's objectives of: addressing the complexity of Medicaid and CHIP enrollment processes; removing barriers to accessing or retaining coverage; and making enrollment processes more uniform across states. While the rule proposes a number of policy changes, our comments focus on those recommendations that facilitate and promote enrollment, as well as minimize coverage disruptions. These policy changes will become even more critical as CMS and state Medicaid programs prepare for the unwinding of the COVID-19 public health emergency (PHE) that brings with it the end of the COVID-19-related continuous eligibility requirements.

Facilitate and Promote Enrollment

Clarification of Optional Eligibility Group under 21. The proposed rule clarifies that states are permitted to establish an optional eligibility group for all or a reasonable classification of individuals under age 21 whose eligibility is excepted from the use of



the Affordable Care Act's (ACA) income counting rules, known as Modified Adjusted Gross Income (MAGI). This proposal would provide states with added flexibility to create an optional eligibility MAGI-excepted pathway for individuals under age 21. States could, for example, extend eligibility by disregarding certain assets and income levels to higher-income individuals under age 21 who are seeking coverage based on disability, blindness, or other specified needs. **The AHA supports this added state flexibility to expand income eligibility.**

Timeliness Standards. The rule proposes a series of timeliness standards for initial enrollment, renewal and required reporting of beneficiaries' changes in circumstances. These recommended standards are intended to give applicants sufficient time to submit the required documentation. For example, states would be required to apply the same timeliness standard to renewal of enrollment as they would to initial applications. **The AHA supports these policy recommendations to ensure applicants have sufficient time to submit required documentation and mitigate enrollment churn, in which beneficiaries enroll and dis-enroll over a short period of time, often because of enrollment process challenges.** Recent Kaiser Family Foundation data finds that one in 10 Medicaid and CHIP enrollees temporarily lose access to coverage due to renewal process barriers.¹

Eligibility Determinations for Dually Eligible, Disabled, and Medically Needy. The rule proposes policy recommendations to facilitate eligibility determinations and renewals for those eligible for Medicaid based on age, disability, dually eligible for Medicare, or status as "medically needy." For those eligible based on age and disability, the proposed rule would require of states additional renewal requirements, such as pre-populating the renewal form and conducting renewals on an annual basis. The proposed rule also would modify the medically needy requirements to allow the use of projected predictable medical expenses. Currently, 34 states offer access to Medicaid through the medically needy category, where individuals meet Medicaid's income requirements after deducting health care expenses.

For individuals eligible for Medicaid through Medicare Savings Programs (MSP), their premiums are covered by Medicare, and in some cases, their cost-sharing is covered by Medicaid. The rule includes proposals to allow states to initiate Medicaid applications on behalf of an individual and ensure automatic enrollment into the Qualified Medicaid Beneficiaries group for individuals receiving Social Security Income (SSI). Enrollment in the QMB group provides beneficiaries access to Medicare Part B premium assistance. **Taken together, the AHA supports these proposed recommendations designed to help low-income Medicare/Medicaid beneficiaries' access services through a more simplified enrollment and renewal process.**

Eliminating Barriers and Minimizing Disruptions to Coverage

¹ <https://www.kff.org/medicaid/issue-brief/medicaid-enrollment-churn-and-implications-for-continuous-coverage-policies/>

CHIP Waiting Periods, Lifetime and Annual Limits, and Premium Lock-outs. Currently, CHIP permits states considerable flexibility to restrict enrollment and coverage by imposing enrollment waiting periods and allowing annual and lifetime limits on benefits, which are otherwise not permitted in the Medicaid program. To better align requirements with Medicaid and the ACA marketplace coverage, the rule proposes eliminating much of this flexibility through a prohibition on waiting periods and annual and lifetime limits on CHIP benefits. In addition, the proposed rule would allow CHIP children to remain enrolled or re-enroll without a lock-out period for failure to pay premiums. States currently have the regulatory option to impose a premium lock-out period, a specified period that a child or a pregnant individual must wait through before being allowed to re-enroll in the CHIP program after a non-payment of premiums. This policy change would align CHIP rules with those for the Medicaid program, which does not permit premium lock-out periods. **The AHA supports CMS's proposed policy changes better to align CHIP with Medicaid and the ACA Marketplaces and remove barriers and improve access to coverage for low-income children.**

Seamless Transition between Public Programs. The proposed rule encourages a seamless transition between public programs such as CHIP and Medicaid when families' or individuals' circumstances change. States are urged to establish a straightforward process to prevent the termination of eligible beneficiaries who should be transitioned between Medicaid and CHIP when their income changes or when the beneficiary appears to be eligible for the other program, even when the beneficiary fails to respond to the requested information. For example, such policy changes would require information and data exchange agreements between Medicaid agencies and CHIP programs. **The AHA strongly supports the policies that will ensure a seamless transition between public programs when circumstances for individuals and families change.** Finalizing these policies will be critical as the nation grapples with unwinding the COVID-19 public health emergency and the end of the Medicaid continuous eligibility requirements.

Ensuring coverage and mitigating coverage loss are among AHA's top priorities. We look forward to our continued work together to ensure everyone is enrolled in some form of comprehensive coverage. We appreciate your consideration of our comments. Please contact me if you have questions, or feel free to have a member of your team contact Molly Collins Offner, AHA's director for policy development, at 202-626-2326 or mcollins@aha.org.

Sincerely,

/s/

Stacey Hughes
Executive Vice President