



## Medicaid Public Health Emergency Protections Strengthened the Safety Net and Boosted Patient Health During the Pandemic

The COVID-19 pandemic dramatically changed the nation's economy and reinforced the importance of Medicaid as a source of coverage for millions of Americans. As a part of the Families First Coronavirus Response Act (FFCRA), which passed early in the pandemic, states began receiving a 6.2% bump in their Federal Medicaid Assistance Percentage (FMAP). In exchange for that increased federal funding, states were prohibited from disenrolling anyone from Medicaid during the Public Health Emergency (PHE).<sup>1</sup> This continuous coverage mandate has been critical at a time when more people have relied on Medicaid and CHIP to access vital health care services. Recent data from the Center for Medicare and Medicaid Services (CMS) show that enrollment grew by over 11 million people (a 16% increase) from February 2020 to April 2021.<sup>2</sup> Unless these policies to keep people enrolled in Medicaid coverage continue or are extended, Medicaid beneficiaries will lose benefits, pay more for health care, or go without care, throwing the safety net into further peril. People living in the 12 states that have chosen not to expand Medicaid will be especially hard-hit.

NACHC recently surveyed members to understand how health center patients have benefitted from Medicaid enrollment and other related flexibilities and the implications for health center patients should these policies not be continued. Below are some of the findings from this survey.

### Key Findings:

- **Better access to care.** Almost all health centers (90%) reported that they provide more services to patients who would otherwise go without health care, and 87% reported that they were able to treat more patients.
- **Improved access to telehealth.** Flexibilities surrounding telehealth allowed health centers to provide more services, assist their patients with chronic care management, and continue administering needed preventative services while continuing to test and treat patients for COVID-19.
- **Increased costs and uninsured patients if policies are not continued.** These significant benefits to health center patients are at-risk if the policies are not extended beyond the PHE:
  - Over 90% of health centers believe the termination of Medicaid-related flexibilities will lead to their patients forgoing vital health care services, while many others reported their patients would be forced to rely on emergency and urgent care departments for health care.
  - The ending of Medicaid-related flexibilities will likely lead to patients with chronic conditions not being able to access treatment and others facing cost-intensive health consequences due to lack of access to preventative health care.

<sup>1</sup> Buettgens, M., and Green, A. (September 2021). What Will Happen to Unprecedented High Medicaid Enrollment after the Public Health Emergency? Urban Institute. [https://www.urban.org/sites/default/files/publication/104785/what-will-happen-to-unprecedented-high-medicaid-enrollment-after-the-public-health-emergency\\_0.pdf](https://www.urban.org/sites/default/files/publication/104785/what-will-happen-to-unprecedented-high-medicaid-enrollment-after-the-public-health-emergency_0.pdf)

<sup>2</sup> Kaiser Family Foundation. Total Monthly Medicaid/CHIP Enrollment and Pre-ACA Enrollment.

## **Need for Action:**

**Strengthen Coverage Options:** Key provisions currently under consideration by Congress will provide historic, landmark protections for vulnerable populations after the PHE expires. They include:

- **Extend key Affordable Care Act (ACA) marketplace subsidies and enrollment periods** that will limit cost-sharing, reduce premiums, and provide pathways to coverage for low-income people, including people living in the 12 states without Medicaid expansion.
- Commit new investments in **outreach, enrollment, and navigators for people in the Medicaid coverage gap** and state-based reinsurance programs that lower ACA marketplace premiums.
- **Permanently fund the Children's Health Insurance Program** and require states to keep children continuously enrolled in programs for up to 12 months.
- Require states to **provide pregnant and postpartum Medicaid coverage for women up to 12 months** after they give birth.
- Require states to establish "**Express Lane Eligibility**" to more easily identify and enroll **low-income children** in Medicaid and CHIP.
- Provide permanent stability for Americans on Medicaid in Puerto Rico and the nation's territories

**Protect Continued Enrollment for Medicaid Beneficiaries After the PHE:** People who had Medicaid coverage before or during the PHE may be deemed ineligible are at risk of losing access to coverage once states revert back to pre-pandemic Medicaid policies and eligibility. Other key provisions currently under consideration by Congress would help protect these vulnerable population measures. They include:

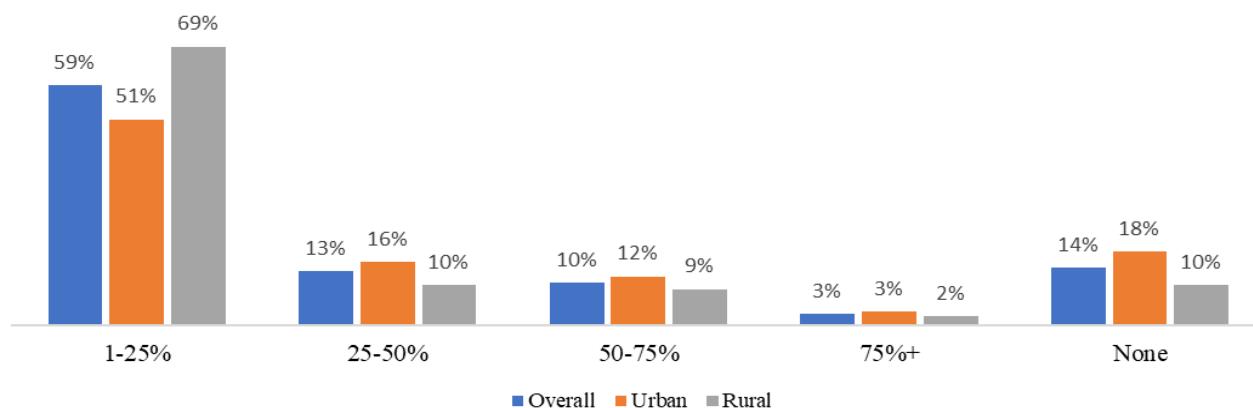
- Providing greater clarity to states about the expected phase-down of their **6.2% FMAP increase**.
- With the expected expiration of the Continuous Coverage requirement, **establishing strict eligibility redetermination standards** states must follow as well as **penalties for states that attempt to cut Medicaid eligibility** before 2025
- **Extending the timeframe for states to complete pending eligibility** and enrollment actions for up to 12 months after the month in which the PHE ends and requiring states to **complete an additional redetermination for those deemed ineligible** for Medicaid. (*CMS recently took these actions and Congress should act to strengthen them.*)

**Protect Telehealth Flexibilities:** The Biden administration should act to **ensure state-authorized Medicaid audio-only telehealth services for the elderly, homebound and rural residents can continue** beyond the PHE's expiration. Since states often follow Medicare rules as they adapt their Medicaid programs, it is also critical that **Congress pass the CONNECT for Health Act** and other legislation that will recognize health centers as both "distant and originating sites" and ensure they are adequately reimbursed for Medicare telehealth coverage at rates equal to in-person visits.

## Health Centers' Medicaid Population Increased During the Pandemic

Before the pandemic, 48% of health center patients were Medicaid and CHIP<sup>3</sup> recipients, which significantly increased during the PHE, with most health centers reporting up to a 25% increase in Medicaid patients. The trend of insurance coverage will likely fall sharply once Medicaid rules and flexibilities return to their pre-pandemic status.

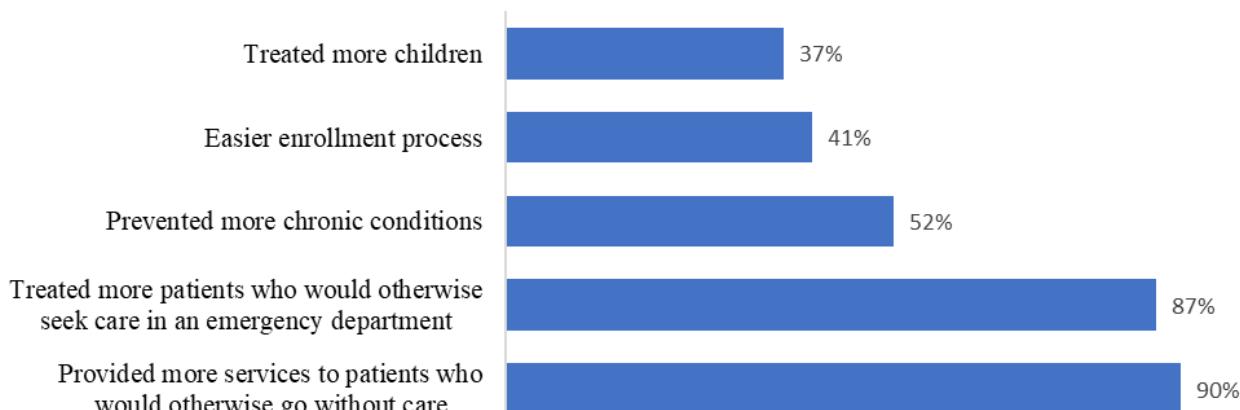
Increase in Medicaid Patients During Pandemic



## Medicaid Enrollment Protections Have Improved Access to Care

Nearly all health centers reported being able to treat more patients who would otherwise be forced to seek services at an emergency department or forgo care. Moreover, a third of health centers have been able to treat more children and half have been able to prevent chronic conditions from occurring or exacerbating. Last, many health centers have been able to provide more services and reach more patients via telehealth while also providing vital COVID-19 services.

## Benefits from Medicaid and CHIP Temporary Policy Changes



<sup>3</sup> 2019 Uniform Data System, Bureau of Primary Health Care, HRSA, DHHS. Federally funded health centers only.

## Health Center Stories

*"I have two HIV-infected patients with Medicaid insurance who I cared for many years in Seattle at our clinic. Due to cost-of-living issues, both independently moved 280 miles away to Spokane WA, where they have unfortunately been unable to establish culturally comfortable health care. I am able to care for them by telehealth visits effectively and efficiently and arrange for their HIV monitoring labs to be done at Lab Corp facility in Spokane and results forwarded to me. I have managed their routine care as well as several acute illnesses by telemedicine visits and there have been NO emergency room visits since they moved there."*

- Matthew Logalbo, Medical Director; Country Doctor Community Health Center

*"For the past year and a half, seeing a physician in-person has been difficult to make happen. As a single mom of two children, the telehealth system provides immense support for my busy schedule. I am also responsible for assisting my mom with her doctor's appointments as she is hardly mobile, and telehealth has helped her receive the care that she deserves. It has been a blessing to have telehealth appointments for my family. It allows me to prioritize both my health and the health of my family."*

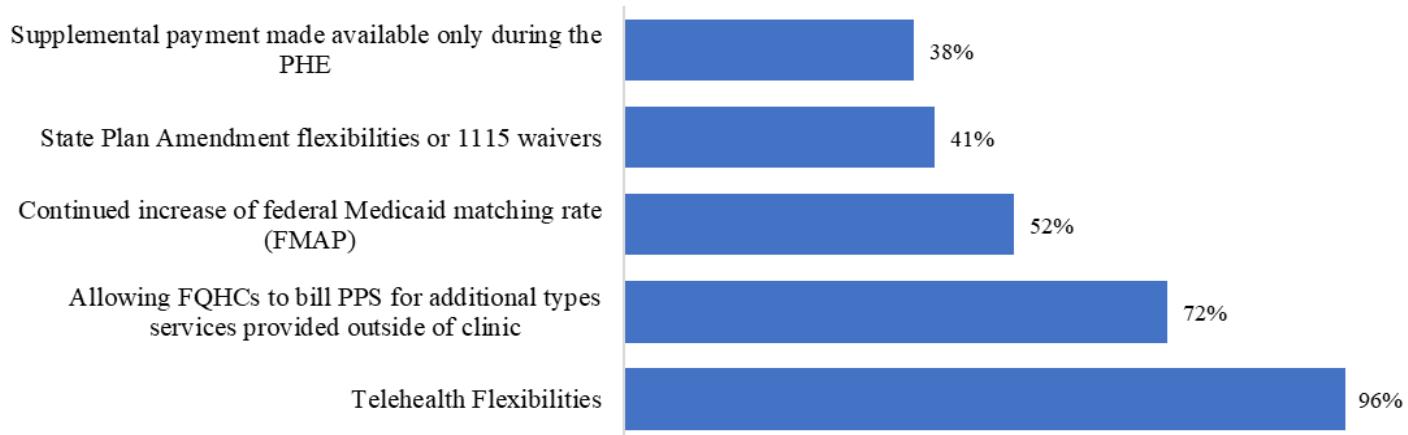
- As told to Joseph Hayes, Doctor of Osteopathic Medicine, Omni Health

## The Termination of Medicaid Policies will Greatly Impact Health Centers

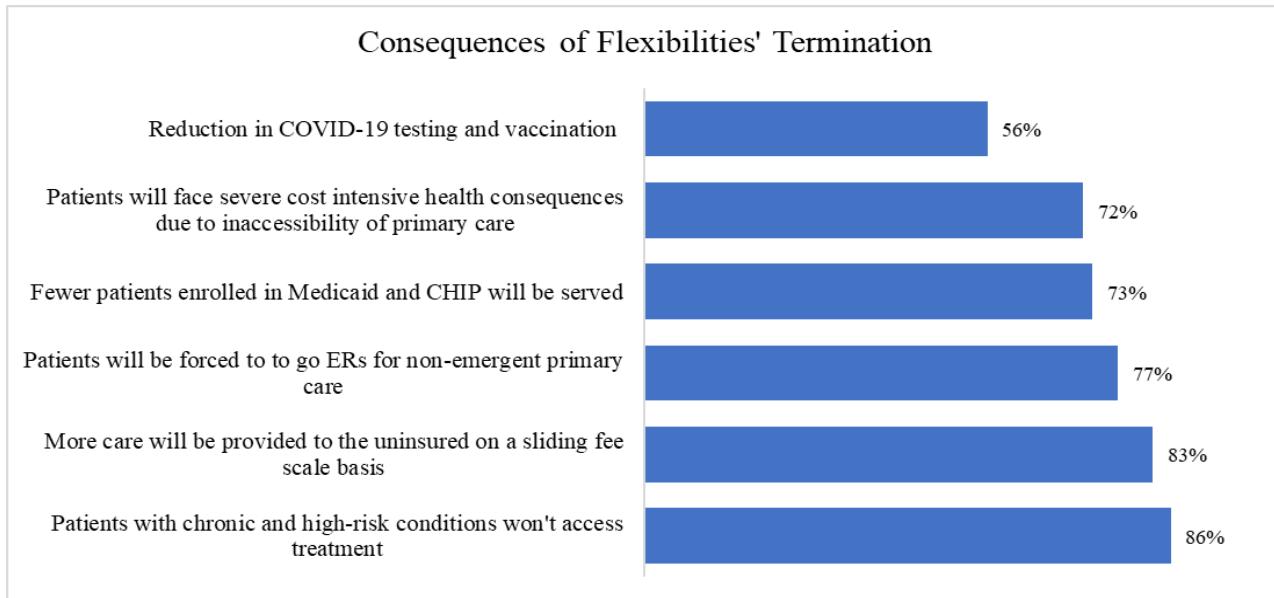
Telehealth flexibilities have allowed health center patients better access to chronic disease management and behavioral health services, especially those who are homebound or elderly. Homebound health center patients have received nursing services from registered and licensed practical nurses in areas of home health shortages, which can prevent chronic conditions from deteriorating to the point that hospitalization would be required.

The continued Federal Medical Assistance Program (FMAP) increase has given financial protections to health centers delivering vital services in the face of state budgetary shortfalls accrued during the pandemic. State Plan Amendments and 1115 waivers give state Medicaid agencies the flexibilities to address various challenges, such as the rising rates of opioid overdose during the pandemic and higher rates of anxiety, depression, and other mental health issues.

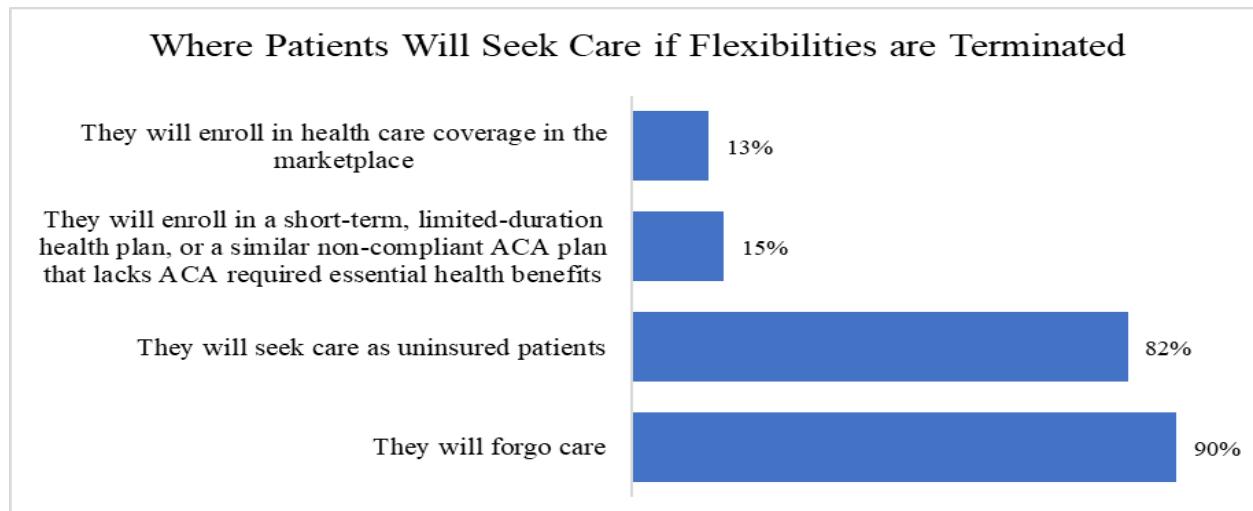
### Medicaid Policies that Would Have an Impact on Patients if Terminated



effects of COVID infections, whose path to recovery will be particularly difficult if they lose insurance coverage and access to key health support services.



If these Medicaid policies are not continued, patients will be forced to navigate a health care landscape of fewer choices and services, and a likely scenario of preventable hospitalizations. In many cases, vulnerable patients, the newly jobless, or people suffering the long-term effects of COVID, will either be forced to forgo care or may turn to short-term insurance plans with fewer benefits and higher out-of-pocket costs. Under such a scenario, patients are vulnerable to more severe disease progression and more expensive treatments as otherwise manageable conditions lead to health crises and preventable hospitalizations and readmissions. Incomplete coverage puts financial strain on patients who may already struggle from the financial uncertainty brought on by the pandemic, including job loss and housing instability.



## **Conclusion**

The Medicaid and CHIP enrollment protections and flexibilities introduced during the pandemic have allowed more working families and vulnerable populations to experience regular care at a health center, where the services are coordinated and focused on the wellness of each patient. If these protections are eliminated, patients will be forced to forgo care or seek care at emergency departments, possibly facing life-threatening and highly cost-intensive consequences. The profound and cascading effect will also weaken our already challenged public health infrastructure with higher costs and reduced access to services at a time when the nation is still recovering from a devastating pandemic. NACHC recommends maintaining these enrollment protections while the health care system remains at risk. Moreover, policymakers should consider making certain flexibilities related to telehealth permanent because such policy change drives greater access to quality care among hard-to-reach populations and vulnerable adults and children.

## **Methodology**

The National Association of Community Health Centers (NACHC) surveyed Federally Qualified Health Centers in September 2021 and garnered responses from 211 health centers from September 1-18, 2021. The respondents accurately represent the general health center population, based on similar size and geographic location. The survey tool is available [here](#).

## **About the National Association of Community Health Centers**

The National Association of Community Health Centers (NACHC) is the national membership organization for Federally Qualified Health Centers (also known as FQHCs or health centers). Health centers are federally-funded or federally-supported nonprofit, community-directed provider clinics that serve as the health home for nearly 29 million people, including 1 in 5 Medicaid beneficiaries and 1 in 3 people living in poverty nationwide. It is the collective mission and mandate of over 1,400 health centers around the country to provide access to high-quality, cost-effective primary and preventative medical care as well as dental, behavioral health, and pharmacy services and other “enabling” or support services that facilitate access to care to individuals and families located in medically underserved areas, regardless of insurance status or ability to pay.