

Protecting Medicaid Coverage for Children Now & in the Future



As we look back over the past 17 months, we recognize the great suffering many Ohioans have experienced and continue to experience. But if we were to find a silver lining in all the uncertainty we have lived through, it might be the uninterrupted healthcare many families experienced through Medicaid during the COVID-19 pandemic.

Ohio began 2020 facing a rising rate of uninsured children. This is a problem seen in almost every state in the nation, but in Ohio it was especially stark. Between 2016 and 2019 Ohio saw an increase in the child uninsured rate from a low of 3.8% to 4.8%, one of the largest increases in the nation. Over 70 Ohio counties saw enrollment declines in Medicaid for children that did not correspond with a

gain in private insurance for these children. This represents 27,000 fewer children with coverage. That's 27,000 children who couldn't visit a pediatrician and receive developmental screenings, physical checks, dental check-up, or immunizations.

The COVID Effect

In March 2020, COVID-19 surged across Ohio. At the height of the pandemic, unemployment was over 15%, representing over 1M people who lost their jobs and their health insurance. Many of these families turned to Medicaid as their first line of defense to protect the health of their families, causing Medicaid's role to become more crucial than ever.

Initial Federal Relief

Federal relief came in three different forms, 1135 emergency waivers, disaster SPAs, and federal legislation. First, the declaration of both the national emergency and the public health emergency (PHE) triggered the availability of 1135 emergency waivers which allows CMS to waive certain requirements to ensure that during an emergency sufficient health care services are available to Medicare, Medicaid, and CHIP beneficiaries.

Ohio was approved for [1135 emergency waivers](#) relating to:

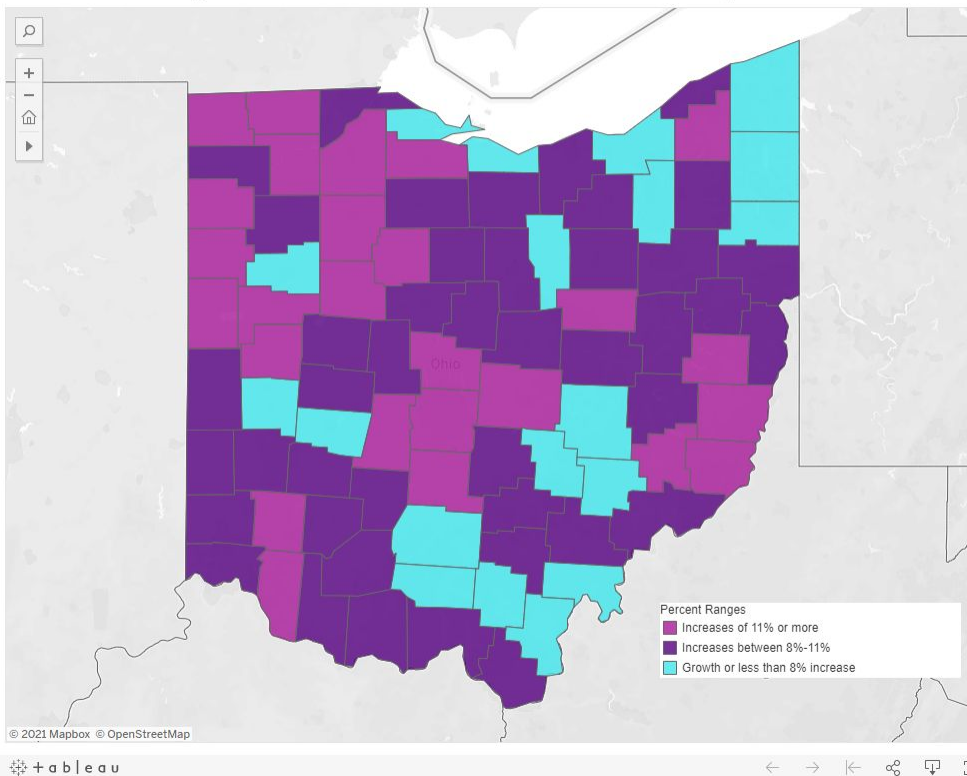
- Provider enrollment and revalidation flexibilities
- Suspension of fee-for-service prior authorization
- Flexibilities on where services can be provided

Ohio applied and was approved for a [Medicaid Disaster Relief SPA](#) for the COVID-19 National Emergency that includes:

- Extending time for non-citizens to provide information for enrolling in Medicaid
- Qualifying hospitals and the Dept. of Medicaid to do presumptive eligibility
- Suspending cost-sharing expenses like copays, coinsurance, and deductibles
- Expanding telehealth, modifying requirements for face-to-face communication, and authorizing the use of telephone and video communications
- Extending prior authorization for medication by automatic renewal without clinical review.

While the Disaster SPA is a time-limited document that expires on the termination of the public health emergency, states have

Percent Change of Children Enrolled in Medicaid from February 2020 to June 2021



the option of rescinding amendments at any time. Several of these amendments were rescinded by Medicaid at the beginning of the year, including telehealth flexibilities, the extension of prior authorization for medication, suspension of copays, and the temporary presumptive eligibility designation given to hospitals and the Department of Medicaid.

The COVID-19 pandemic caused a

severe public health crisis and a significant economic disruption for every American. It quickly became obvious that Congress would have to act to help states manage the increased Medicaid enrollment due to the loss of jobs and health insurance. On March 18, 2020, Congress passed the [Families First Coronavirus Response Act](#). The bill extended a temporary increase of 6.2 percentage points in the Federal Medical Assistance Percentage (FMAP) to the states. The FMAP is the federal government's share of costs related to the Medicaid program.

The enhanced FMAP (e-FMAP) helped states pay for the additional costs of new Medicaid enrollees caused by COVID-19 and the ensuing economic downturn. Ohio significantly benefited from the 6.2

percentage point increase in the enhanced FMAP (e-FMAP), which brought approximately \$2B in needed resources to the state through the end of March 2021.

Under the provisions in the bill, States that accept the e-FMAP agree to specific Maintenance of Effort (MOE) provisions, which prohibit any changes to Medicaid eligibility or services for anyone enrolled prior to March 18th, or who enrolls through the end of the public health emergency.

As we learned in the fiscal crisis over twelve years ago and are witnessing again, additional funding to support health services through the enhanced FMAP can serve the dual purpose of protecting vulnerable populations and meeting their health needs and supporting Ohio's economic recovery.

Where Do We Go From Here?

Ohio has used the flexibilities offered in the federal legislation, disaster SPA, and the 1135 waivers to increase access Medicaid coverage and services such as expanding presumptive eligibility, and rules regarding telehealth, and suspending redeterminations, re-enrollment, and prior authorizations. These temporary changes allowed families to maintain critical healthcare coverage during the public health crisis. While the actions taken by the state and federal government

Child Health Trends Prior to the Pandemic: 2016-2019

27,000

Fewer children had health insurance

2016 3.8%  2019 4.8%

The percent of children without health insurance increased

70

Ohio counties saw child enrollment in Medicaid decline



were critical steps in maintaining the health and safety of Ohioans, they are just temporary measures, and will end upon the termination of the COVID-19 public health emergency. It is projected that the federal public health emergency will be lifted at the end of 2021 and many of the waivers of flexibility will expire in March 2022. Ohio has made the commitment that care should be uninterrupted during the public health emergency, but now is the time to start thinking about what we want Medicaid to look like in the future when the 1135 emergency waivers expire, and the flexibilities afforded by the disaster SPA end. Even after the public health emergency ends, the economy will take time to recover. Families will still need the critical health support Medicaid provides.

This means that the Ohio Department of Medicaid must begin planning now for the

“unwinding” of Medicaid extensions and waivers they have operated under since March 2020. We are fearful that if the unwinding is not done carefully and with deliberate planning, the number of uninsured children will again begin to increase.

Ohio should take this opportunity to look at the different waivers and flexibilities that are in place during this public health emergency and determine what has been beneficial to Medicaid enrollees, what has made enrolling and remaining on Medicaid easier, and what new service delivery models, such as the changes to telehealth, have made accessing services easier, and then set to work building these improvements into the Medicaid system.

The long-term benefits of the Medicaid program are well documented. Benefits such as

long-term health, educational attainment, and greater financial security reached in adulthood. It is common sense that healthy children learn better, they stay in school longer, which leads to higher income as adults. According to the Department of Medicaid, when families were able to access healthcare through Medicaid expansion 75% found it easier to look for a job, 52% found it easier to continue working, and 48% found it easier to afford housing. Given the rate of uninsured children in Ohio before the pandemic, we should be looking at ways maintain and increase coverage for all eligible children.

Over the coming months, CDF-Ohio will dig into the waivers and flexibilities that are currently in place in Ohio, as well as best practices from other states that have proven effective in increasing the number of insured children in their states. This is our opportunity to propel Ohio's Medicaid program into one that works for all children and families and maximizes value for our communities who will also reap the benefits of healthier children and families.

CDF Recommendations

1. Review 1135 waivers, disaster SPA, and temporary legislative flexibilities put in place during the pandemic

- Make permanent any waivers, SPA changes, and temporary legislative flexibilities that make it easier to enroll and maintain coverage for families

2. Research “best practices” and recommendations from other states for smoothing out the benefits cliff to make sure eligible families aren’t disenrolled from Medicaid

- Ohio should take this opportunity to make improvements and fix current flaws in the Medicaid system to better serve beneficiaries.

3. Protect Medicaid coverage for children

- Before the pandemic, Ohio had one of the highest rates of child uninsurance in the country and was also in the bottom quartile for child and maternal health. Keeping children enrolled as well as growing the number of insured children should be priority number 1.

*To access county specific CHIP enrollment changes, visit:
<https://cdfohio.org/policy/policy-priorities/health/>*

To learn more about the Children’s Defense Fund-Ohio’s Finish Line project to increase healthcare coverage and services for children and families, contact Kelly Vyzral, Senior Health Policy Associate at kvyzral@childrensdefense.org

