



Know Your Benefits

Employee Options After Losing Medicaid Coverage

In 2020, the COVID-19 pandemic created a public health emergency (PHE). In response, the U.S. Congress passed the Families First Coronavirus Response Act (FFCRA). This law suspended the requirement that state Medicaid agencies redetermine Medicaid beneficiaries' eligibility for continued health coverage each year to help ensure that individuals had health coverage during the pandemic.

Before the pandemic, Medicaid beneficiaries had to renew their coverage annually to ensure they remained eligible for Medicaid benefits. Changes in income, household size, age and other factors can impact an individual's eligibility. For the first time since March 2020, state Medicaid agencies have resumed coverage terminations as of April 1, 2023, for individuals redetermined as ineligible for Medicaid. Consequently, as many as 15 million Americans may soon no longer be eligible for Medicaid, according to estimates from the U.S. Department of Health and Human Services.

Losing your health coverage can be frightening; however, if you no longer qualify for Medicaid coverage, you may be eligible to enroll in a new health plan as part of a special enrollment period. This article explains Medicaid eligibility redeterminations, outlines why you might lose coverage and what happens if it's lost, and discusses how to prepare for redeterminations.

What Are Medicaid Redeterminations?

Medicaid is a government program that provides health insurance to millions of eligible Americans with limited income and resources. Each state administers its own Medicaid program. Typically, Medicaid enrollees must apply annually to qualify for Medicaid benefits. This process is known as renewal, redetermination or recertification. The Medicaid redetermination process helps evaluate whether Medicaid enrollees are eligible for continued health coverage. Whether individuals currently enrolled in Medicaid remain eligible for continued health coverage depends on various factors, including changes in age, disability status, household size and income.

When Will Medicaid Redeterminations Resume?

State Medicaid agencies were able to begin processing eligibility redeterminations as of Feb. 1, 2023, and terminating coverage for enrollees who no longer qualify as of April 1, 2023, though the dates for terminating coverage will vary by state. States now have 12 months to initiate Medicaid renewals and 14 months to complete them.

The exact date of your Medicaid redetermination will depend on your state. Your state Medicaid agency will provide you with instructions for completing your Medicaid redetermination.



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Why Might I Lose My Medicaid Coverage?

If you qualified for Medicaid, you may lose your coverage because of one of the following reasons:

- Earning too much income
- Failing to report a family status change (e.g., getting married)
- Ending a pregnancy
- Receiving a gift or inheritance
- Moving to a state with different Medicaid income requirements

If you're no longer eligible for Medicaid, you can reapply through your state Medicaid agency or appeal the denial of your Medicaid eligibility. Medicaid qualifications depend on your state, so be sure to follow any procedures provided by your state Medicaid agency.

What Happens If I Lose My Medicaid Coverage?

If your Medicaid enrollment is being terminated because you no longer qualify, you may have options to receive health coverage. If you no longer qualify for Medicaid, you may be able to obtain health coverage through one of the following options:

- An employer-sponsored health plan
- A health plan offered through the Affordable Care Act's Health Insurance Marketplace
- Medicare, if you're age 65 or older

Losing your Medicaid coverage is considered a qualifying life event, so you will have the opportunity to enroll in a new health plan as part of a special enrollment period. You generally have 60 days to enroll in a new health plan during the special enrollment period. However, if you miss this period, you will have to wait until the next annual enrollment period to sign up for a health plan. The open enrollment period for the Health Insurance Marketplace generally starts in November. On the other hand,

employers establish the timing of their annual open enrollment periods.

To avoid a gap in health coverage, you may sign up for a health plan through the Health Insurance Marketplace in advance. These plans are generally effective the first day of the following month after you apply. You may also qualify for a subsidy for Health Insurance Marketplace coverage, depending on your income. To find out more information, visit [HealthCare.gov](https://www.healthcare.gov).

What Should I Do to Prepare?

As state Medicaid agencies start processing eligibility redeterminations, your state agency will likely contact you if they need more information. You can prepare by updating your contact information with your state Medicaid agency. Once you receive forms from your state Medicaid agency, complete and submit them as soon as possible.

Additionally, consider reaching out to your employer for more information about the health plans they offer and the enrollment process. If you have more questions about Medicaid redeterminations, please contact your manager for clarification.