

Immediate Steps Texas Can Take to Improve Accuracy When Determining Kids' Medicaid Eligibility

Cutting Off Health Insurance for Eligible Kids During the “Unwinding” of Continuous Coverage Disrupts Access to Medications, Cancer Treatment, Mental Health Support, Immunizations and More

Texas is in the process of reviewing Medicaid eligibility for 5.9 million Texans as part of the “unwinding” of Medicaid rules that allowed Medicaid enrollees to maintain their health insurance without renewing it during the pandemic.

Texans who are no longer eligible should be removed from Medicaid and — if they do not have other health insurance — transferred to another program for which they qualify, such as the Children’s Health Insurance Program (CHIP), Healthy Texas Women, or HealthCare.Gov. **Texans who are still eligible should remain enrolled.**

When kids are left uninsured — even temporarily — because they are erroneously removed from Medicaid insurance or not transferred to another program for which they qualify, they are likely to face gaps in health care. Access to medications, cancer treatment, mental health support, immunizations, and more could be disrupted.

Data on the First Round of the Eligibility Reviews

In August, HHSC released cumulative data on Medicaid renewals from April 1 through July 31.

Unfortunately, the data revealed that, in most cases, the state is not successfully determining who is eligible and who is not — but is often cutting off Medicaid health insurance anyway.

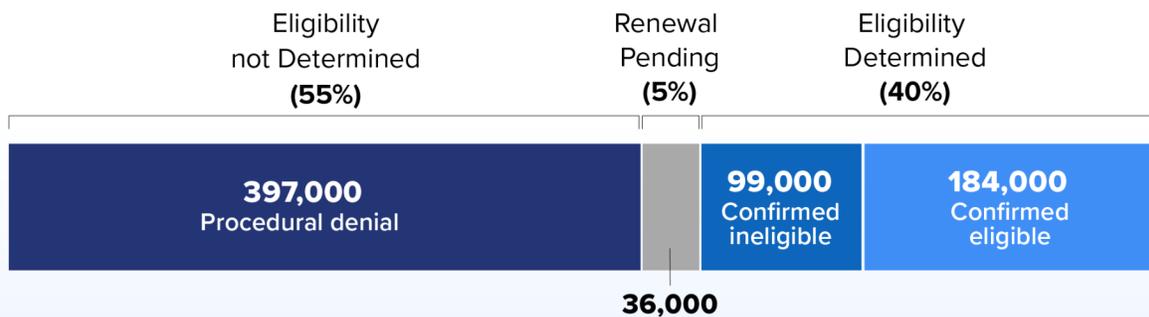
The vast majority of those removed from Medicaid insurance were children. According to HHSC data, the state removed 616,000 Texans from Medicaid health insurance during this time.¹ Of the 616,000 Texans who lost Medicaid coverage, 496,000 were children. Most of those children — 397,000 — were removed before the state was able to determine if they were still eligible.



¹Dashboard - Texas Health and Human Services. (n.d.-a). <https://www.hhs.texas.gov/sites/default/files/documents/aug-2023-end-continuous-medicaid-dashboard-rpt.pdf>

The state is ending Medicaid coverage for Texas kids without determining their eligibility.

Outcomes of Texas Medicaid Renewals for Non-Disabled Children, April - July 2023



Source: Data provided by the Texas Health and Human Services Commission (HHSC) End of Continuous Coverage Dashboard, August 2023. Data include both continuous coverage renewals and regular annual renewals for April 1 - July 31, 2023.

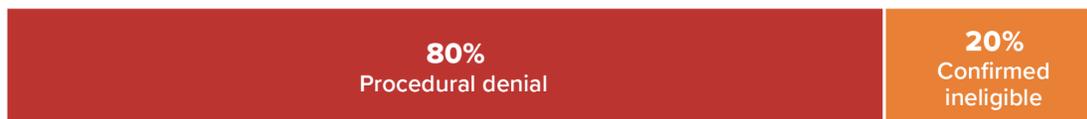
The HHSC data reveal most Texans who lost Medicaid health insurance were cut off based on “procedural denials,” meaning the state failed to determine whether they were still eligible or not. Procedural denials could occur for a number of reasons, including the state sending renewal information to the wrong mailing addresses, parents running into bureaucratic delays with the state when they try to renew their children’s health insurance, or Texans choosing not to return their renewal forms because they believe they are no longer eligible or now have health insurance from a different source.

One of the reasons that the state failed to determine eligibility in so many cases is because it is underutilizing effective, data-driven administrative renewals (also known as *ex parte* renewals). Administrative renewals reduce paperwork, determining eligibility using information the state has in other databases regarding family income, family size, etc. Unfortunately, the Texas data show only 20,468 of those confirmed eligible — accounting for about 3 percent of renewals — were reviewed through this process. By contrast, the majority of states are able to use administrative renewals for at least 25 percent of their renewals, and a third of states conduct over 50 percent of renewals through this process².

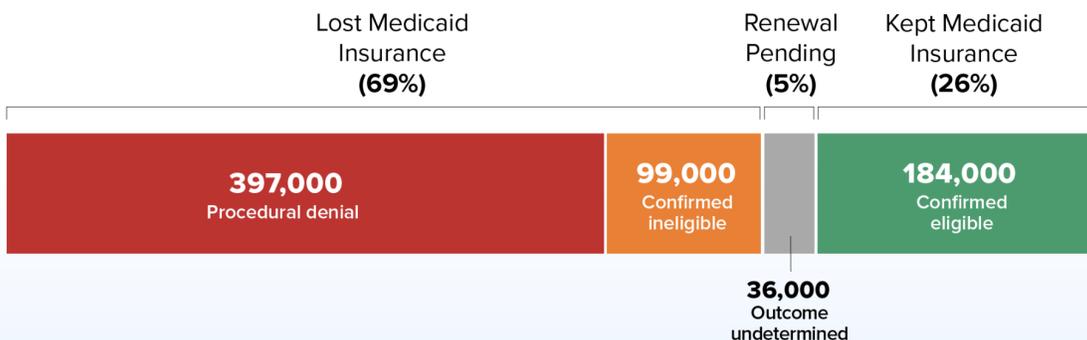
² Jennifer Tolbert and Meghana Ammula Published: Jun 09, 2023. (2023, August 9). *10 things to know about the unwinding of the Medicaid continuous enrollment provision*. KFF. <https://www.kff.org/medicaid/issue-brief/10-things-to-know-about-the-unwinding-of-the-medicaid-continuous-enrollment-provision/>

The majority of Medicaid denials occurred without Texas determining eligibility.

Reasons Texas Discontinued Medicaid Coverage for Non-Disabled Children, April - July 2023



Outcomes of All Medicaid Renewals for Non-Disabled Texas Children, April - July 2023



Source: Data provided by the Texas Health and Human Services Commission (HHSC) End of Continuous Coverage Dashboard, August 2023. Data include both continuous coverage renewals and regular annual renewals for April 1 - July 31, 2023.

Upcoming Timeline

- In July, the state initiated a second round of eligibility reviews, focusing on Texans enrolled in Medicaid for Pregnant Women beyond the state's current two-month postpartum period. (Legislation to extend that coverage beyond two months has not been implemented yet.) Data on that cohort will be available in September.
- In early September, the state will initiate a third round of eligibility reviews that is likely to include a higher proportion of children who are still eligible and should remain enrolled if the process works properly. Data on that cohort will be available in November.

Policy Recommendations

On August 2nd, Texans Care for Children and 14 other Texas organizations sent a letter to HHSC outlining recommendations to improve the Medicaid renewal process by increasing the use of the data-driven administrative renewal process and implementing other best practices. We want to draw particular attention to two of those recommendations:

- **Quickly upgrade the YourTexasBenefits (YTB) website** to allow clients who experienced procedural denials to complete their renewal and upload verification during their 90-day reconsideration period without needing to submit a new application. HHSC has expressed concern about the volume of new applications and the need to minimize the number of beneficiaries who start a new application rather than upload missing information. Additionally, despite the agency's need to minimize new applications, eligibility workers continue to inform 211 callers they must start a new application.
- **Provide enrollees and providers easy access to renewal dates** to reduce the number of clients who submit their applications too early. Texas Medicaid is concerned about the need to avoid large numbers of beneficiaries submitting applications before their renewal is due.

To address this issue, several states have enacted innovative approaches to ensure enrollees have ready access to their renewal dates, paired with messaging asking them to wait for their renewal notice before submitting their paperwork. Examples include:

- Making renewal dates accessible through an enrollee's online account. Tennessee has published a [handout³](#) with step-by-step instructions on the process of locating renewal dates through an enrollee's online account.
- Equipping providers and health plans with access to renewal dates, as Kentucky and Tennessee have done. Kentucky includes special guidance for providers who want to help patients find their renewal dates.

Additionally, Texans enrolled in Medicaid can visit [staycoveredtx.org](https://www.tn.gov/staycoveredtx.org) to learn more about how to stay enrolled if they are still eligible or how to enroll in other programs if they are no longer eligible for Medicaid.

³Member guide to find your renewal date - tn.gov. (n.d.).
<https://www.tn.gov/content/dam/tn/tenncare/documents/MemberGuideFindYourRenewalDate.pdf>