



## Medicaid Changes – What it Means for Self-Direction

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The nation's Medicaid program is embarking on a significant undertaking – redetermining eligibility for all 91 million people on the program and returning to normal eligibility operations. As of May 11, 2023, COVID-19 public health emergency expired. The Urban Institute estimates upwards of eighteen million people may transition off Medicaid insurance coverage with four million people becoming uninsured entirely since the expiration of the COVID-19 public health emergency.

States have begun notifying individuals found to be ineligible for Medicaid. Individuals notified were given the right to file a Fair Hearing if they do not agree with the state's decision. This request needed to be filed within 30 days of the notification of loss of eligibility.

At the pandemic's start, Congress enacted the Families First Coronavirus Response Act (FFCRA), which required that Medicaid programs keep people continuously enrolled throughout the pandemic.

Public Health Emergency (PHE). States were given temporary enhanced federal funding (6.2%) to support this requirement. Due to the continuous enrollment provision, Medicaid enrollment has grown substantially compared to before the pandemic and the uninsured rate has dropped.

Additionally, many other temporary authorities adopted by states during the PHE, including Section 1135 waivers, Appendix K temporary modifications, and Disaster Relief state plan amendments (SPAs), will expire at the end of the PHE, and states will need to plan for a return to regular operations across their programs. States have until November 11, 2023, to eliminate all the temporary modifications.

States must submit reports to CMS beginning the month before the unwinding begins and each month thereafter. Metrics include baseline data on pending applications, renewals, and fair hearing activity. States will report on statewide data, not by program.

For more information, see the [Medicaid Enrollment and Unwinding Tracker](#).

### **Impact on Self-Direction**

Individuals using the self-directed service delivery model will have their Medicaid eligibility re-established from April 1, 2023, through March 2024. This means states must review each individual's income, resources, and medical eligibility from now to March 2024. Individuals self-directing either do so as a State Plan Personal Care option or waiver service. The impact on self-direction because of the unwinding could be:

1. Individuals self-directing might lose Medicaid eligibility and not be able to self-direct.
2. Individuals who have moved and have not informed Medicaid of their new address may not receive notice of redetermination and lose eligibility. This is particularly important to individuals with limited English proficiency.
3. PPL may not be notified immediately of loss of eligibility and continue to pay claims. Some safeguards are in place, particularly with managed care health plans.
4. Organic growth should factor in the loss of eligibility as it measures growth.
5. Appendix K modifications (expanded Home Delivered Meals, disregards for criminal background checks or training) will no longer be in force. Appendix K modifications may remain in place until November 11, 2023.
6. Customer services should be apprised of the unwinding event and be provided with a script to answer questions.

If you have questions, please direct those to Suzanne Crisp at our [PPL website](#).

**Resources:**

- <https://medicaiddirectors.org/sub-focus-area/unwinding/>
- [https://medicaiddirectors.org/wp-content/uploads/2023/03/The-End-of-Pandemic-Era-Flexibilities-4-3-23\\_FINAL-1.pdf](https://medicaiddirectors.org/wp-content/uploads/2023/03/The-End-of-Pandemic-Era-Flexibilities-4-3-23_FINAL-1.pdf)
- <https://www.medicaid.gov/resources-for-states/coronavirus-disease-2019-covid-19/unwinding-and-returning-regular-operations-after-covid-19/index.html>