

FOR IMMEDIATE RELEASE

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CCLP statement on new federal Medicaid guidance

Updated guidance from the federal Centers for Medicaid and Medicare Services clarifies case processing for enrollees

Denver, CO – Colorado Center on Law and Policy applauds the [new guidance from the federal Centers for Medicaid and Medicare Services \(CMS\)](#) that clarifies how states should process Medicaid cases after the public health emergency (PHE) is lifted. CCLP also recognizes Colorado’s Department of Health Care Policy & Financing (HCPF) for their thoughtful leadership throughout this unprecedented time. The new federal guidance released on Friday creates unique opportunities for HCPF as it continues to support the many Coloradans who depend upon Medicaid for access to vital medical care, and CCLP looks forward to supporting the state of Colorado in making the most of this moment.

Currently, over half a million Coloradans who are enrolled in Health First Colorado, our state Medicaid program, face the possibility of losing health coverage at the end of 2021, when the [federal requirement to maintain coverage and “lock in” all enrollees](#) will expire. Nationally, advocates and states [raised concerns](#) about the anticipated workload and risks of erroneous termination. However, on Friday, CMS released guidance that increases the likelihood that more eligible Coloradans can retain Medicaid coverage, that those who are found to be over-income can be connected to other federal health programs, and that Colorado has the time and resources to process those cases accurately.

The half a million Coloradans maintained on Medicaid include pregnant women who would ordinarily have lost coverage postpartum, adults who earned extra income at some point during the public health emergency, people with disabilities whose paperwork may have lapsed, individuals who may have moved or cannot be located, and 19-year-olds who had met the requirements specific to children but not the requirements for adult enrollees. Having broad access to vital medical care not only reduced economic need for those individuals and their families, but also helped Colorado meet the unprecedented public health challenge of COVID-19.

Up to this point, Colorado and other states have adhered to Trump-era guidance that gave states just six months to redetermine the “locked-in” population. The former guidance also permitted states to terminate coverage at the end of the PHE based on old information, ignoring current circumstances. Three pieces of the new guidance are particularly important:



Reassessment of eligibility based on updated information

First, Colorado will have to redetermine a “locked-in” member’s information when the PHE ends, meaning that a recent job loss, pregnancy, or change in immigration status must be considered—potentially enabling the person to retain eligibility. Relying on old information to assess eligibility would have allowed states to process cases before the end of the emergency, but arguably would have violated federal rules that require states to consider eligibility based on up-to-date information.

Fortunately, Colorado’s Medicaid agency had already decided to take the more thoughtful approach of soliciting timely information once the emergency ends. However, this new, longer timeline puts less of a squeeze on county workers as well as the enrollees who need to update their information.

Improved electronic record-sharing across state programs

Second, the guidance emphasizes the requirement that states transfer a person’s electronic record to the right program, should they be found ineligible for Medicaid. For most, that program would be our state exchange, Connect for Health Colorado, where low- or no-premium plans may be available. A seamless connection to an affordable commercial plan prevents gaps in coverage that can be devastating, especially for people with chronic conditions. Data sharing between the state and Connect for Health Colorado has been [problematic in the past](#), and we believe more work will be needed to improve that connection.

Extended period to redetermine eligibility for coverage

Third, states will now have a full 12 months to redetermine people’s eligibility for coverage. CCLP encourages the state of Colorado to adjust the plans already in place, to make the best use of the new 12-month span. More outreach is needed to ensure enrollees know how to update addresses and income information, and counties will benefit from the extra time to process the high volume of information coming in through the mail, the PEAK app, phone lines, and in person.

That extra time should also allow for a more thorough process when a member has moved and mail is returned. [More than 55,000 Colorado renters may face eviction](#) in the immediate future. Many will not be able to locate stable housing in the coming months. [Colorado’s policy](#)—for Medicaid, nutrition assistance and other benefits—is to terminate coverage after just a single piece of returned mail. The Census Bureau’s Household Pulse Survey data also shows [higher rates of hardship for renters of color](#), so harsh returned mail policies like Colorado’s could result in disproportionate racial impact unless the state amends its process. With the additional time and available federal funds, CCLP believes returned mail processing can, and should, include more outreach to members before termination. We also encourage the state to establish processes to draw member contact information from a wider variety of sources, including MMIS, the state’s billing portal, providers, and state managed care entities.



We strongly support this new guidance from HHS and look forward to working with the state, community members and advocates to make sure that the transition post-emergency prevents widespread coverage losses, keeping Colorado on our current path toward improved economic and public health.

Media information

For media inquiries, or to request interviews with Colorado Center on Law and Policy subject experts, please contact Anthony Lux, CCLP Interim Communications Director at tlux@cclponline.org.

About Colorado Center on Law and Policy

Founded in 1998, Colorado Center on Law and Policy is a nonprofit, non-partisan organization that stands with diverse communities across Colorado in the fight against poverty through research, legislation, and legal advocacy. Driven by our core values of equity, integrity, strategic advocacy, collaboration, and community engagement, CCLP envisions a Colorado where everyone has what they need to succeed. Learn more at cclponline.org.