

# COVID-19

## Tracking Medicaid Enrollment Growth During COVID-19 Databook Overview

Manatt Health

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### Summary of Analysis

As much of the nation's economy ground to a halt at the beginning of the COVID-19 pandemic, millions of people lost jobs and also their job-based health care coverage.<sup>1</sup> Based on the experience of other economic downturns, the COVID-19-driven downturn triggered expectations that states would see substantial increases in Medicaid enrollment as individuals losing jobs and employer-sponsored health insurance coverage turned to Medicaid.<sup>2,3</sup> At the same time, states began to brace for significant fiscal pressures driven by declining tax revenues and potential increases in spending due to COVID-19 and the economic disruptions associated with the pandemic.

To address these pressures and protect coverage during the public health crisis, Congress passed legislation—the Families First Coronavirus Response Act (FFCRA)—temporarily increasing the federal share of Medicaid funding.<sup>4</sup> The increase in the Federal Medical Assistance Percentage (FMAP) under FFCRA was tied to requirements that states not reduce Medicaid coverage through programmatic changes (known as the “maintenance of effort” requirement) and not disenroll people from the program (known as the “continuous coverage” requirement) for the duration of the U.S. Department of Health and Human Services (HHS) public health emergency (PHE).<sup>5</sup> Since a portion of Medicaid enrollees typically “churn” off of the program each month due to changes in circumstances, paperwork requirements related to renewals, and other reasons, the continuous coverage requirement effectively eliminated churn, resulting in immediate increases in enrollment relative to pre-COVID-19 state projections.<sup>6,7</sup> In January, the Biden administration announced that the PHE will likely remain in place

<sup>1</sup> <https://files.epi.org/pdf/206003.pdf>

<sup>2</sup> [https://www.urban.org/sites/default/files/publication/102157/how-the-covid-19-recession-could-affect-health-insurance-coverage\\_0.pdf](https://www.urban.org/sites/default/files/publication/102157/how-the-covid-19-recession-could-affect-health-insurance-coverage_0.pdf)

<sup>3</sup> <https://www.healthmanagement.com/blog/hma-updates-forecast-of-covid-19-impact-on-medicare-marketplace-uninsured/>

<sup>4</sup> FFCRA § 6008(a).

<sup>5</sup> The maintenance of effort requirement extends from January 1, 2020 through the end of the quarter in which the PHE ends. *Id.* § 6008(b)(1), (2). The continuous coverage requirement extends from March 18, 2020 through the end of the month in which the PHE ends. *Id.* § 6008(b)(3).

<sup>6</sup> <https://www.cbpp.org/research/health/continuous-coverage-protections-in-families-first-act-prevent-coverage-gaps-by#:~:text=The%20continuous%20coverage%20provision%20does,experience%20fluctuations%20in%20their%20earnings>

<sup>7</sup> <https://www.kff.org/coronavirus-covid-19/issue-brief/analysis-of-recent-national-trends-in-medicare-and-chip-enrollment/>

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through the entirety of 2021.<sup>8</sup> Accordingly, the FFCRA continuous coverage requirement will likely remain in effect at least through the end of the year.

While some level of Medicaid enrollment growth has been expected since the start of the pandemic, the pace and duration of new enrollment growth has been harder to predict. Following the initial downturn, some speculated that the United States would see levels of unemployment not seen since the Great Depression. The economy has rebounded more quickly than many expected, but certain states and types of workers (i.e., low-wage workers) are still much worse off than they were before the pandemic.<sup>9</sup> While COVID-19 cases appear to be trending downward as vaccine distribution accelerates, understanding the trajectory of Medicaid enrollment remains an issue of critical importance for state Medicaid agencies and budget officials.

Using Medicaid enrollment data from over 40 states, Manatt Health developed an enrollment tracker that provides a comprehensive, detailed look at Medicaid enrollment trends from the beginning of the pandemic through January 2021. The tracker provides enrollment detail by state across four eligibility categories: expansion adults, children [including those enrolled in the Children's Health Insurance Program (CHIP)], non-expansion adults, and aged, blind, and disabled individuals. It also compares enrollment trends across expansion and non-expansion states. The analysis is limited by the fact that it relies on state-reported data that are made public at varying frequencies and levels of detail. Additionally, states often rely on different reporting methodologies. While these variations mean that the enrollment numbers in this report are not necessarily comparable across states (and should not be summed across states), the data reported do allow states and others to track enrollment trends.

## Key Findings

Our analysis finds that since the beginning of the pandemic, Medicaid enrollment growth has substantially outpaced recent, pre-COVID-19 rates of growth in the program, particularly amongst non-elderly, non-disabled adults who are most likely to be impacted by job losses.

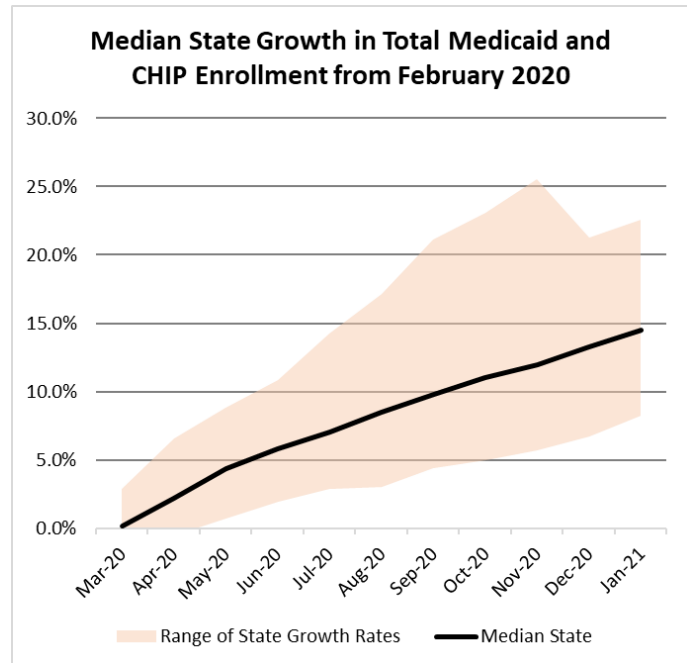
- From February 2020 through January 2021, the median state among the 21 states with available data for that period saw total enrollment growth of 14.5 percent, with the average state seeing monthly growth well above previous levels.

<sup>8</sup> <https://ccf.georgetown.edu/wp-content/uploads/2021/01/Public-Health-Emergency-Message-to-Governors.pdf>

<sup>9</sup> <https://carsey.unh.edu/COVID-19-Economic-Impact-By-State>

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- From February to March of 2020, overall enrollment growth was essentially flat in most states; however, growth began to spike in April following the outbreak of the pandemic, with the median state seeing a one-month growth rate of 2.1 percent from March. Month-to-month enrollment growth slowed somewhat in subsequent months, but has remained significantly elevated in most states. Through January 2021, the median monthly enrollment growth rate across states remained above one percent in all months.
- These monthly enrollment growth rates are substantially higher than what many states had been experiencing prior to the pandemic; over the past several years, many states have seen flat or even negative month-to-month changes in enrollment (the median monthly enrollment growth rate in 2019 was -0.07 percent).<sup>10,11</sup>
- Taken together, total enrollment growth from February 2020 through January 2021 in the median state was 14.5 percent; growth was substantially faster in some states, including Utah (25.5 percent) and Missouri (22.6 percent).
- Enrollment growth has been the fastest among non-elderly, non-disabled adults in nearly all states.
  - Between February 2020 and January 2021, the median expansion state saw growth in the ACA adult expansion group of 31.0 percent.

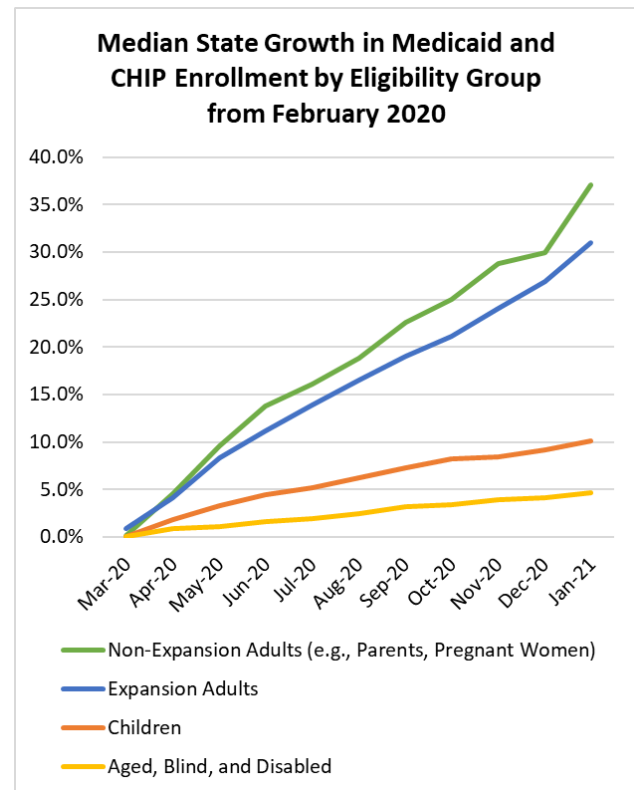


<sup>10</sup> <https://www.macpac.gov/wp-content/uploads/2019/11/Changes-in-Medicaid-and-CHIP-Enrollment.pdf>

<sup>11</sup> <https://data.medicare.gov/Enrollment/State-Medicaid-and-CHIP-Applications-Eligibility-D/n5ce-ixme/data>

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- This rate was substantially higher in some states, including Maine (60.0 percent through January 2021), Utah (56.1 percent through November 2020), and Indiana (47.8 percent through January 2021).
- Monthly growth in expansion enrollment in the median expansion state has remained stable since the summer and has exceeded 2 percent in nearly all months since the beginning of the pandemic.
- Across all states with reported data, enrollment of non-expansion adults (i.e., parents and pregnant women eligible through pathways other than the ACA expansion) grew at a median rate of 37.1 percent from February 2020 through January 2021.
  - As of the most recent month of reported data, at least five states – Florida, Missouri, North Carolina, Texas, and Utah – experienced growth of over 50 percent.
  - While growth has slowed since the beginning of the pandemic, monthly growth in non-expansion adult enrollment in the median state has exceeded 2 percent in most months.
- Enrollment growth has been substantially slower among child and aged, blind, and disabled eligibility categories.
  - Between February 2020 and January 2021, child enrollment<sup>12</sup> in the median state grew by 10.2 percent; monthly growth in the median state has fallen below 1 percent in recent months, though remains elevated relative to normal times.
  - For aged, blind, and disabled groups, enrollment grew by only 4.6 percent in the median state from February 2020 to January 2021, with monthly growth rates generally falling below 0.5 percent.



### Conclusion

While the economy has recovered many of the jobs lost during the initial months of the pandemic, the economic picture remains uncertain for many states and certain types of workers.<sup>13</sup> Our analysis indicates that states are

<sup>12</sup> Including children enrolled in Medicaid and CHIP.

<sup>13</sup> <https://www.dol.gov/ui/data.pdf>

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still seeing robust growth in Medicaid enrollment relative to normal times.<sup>14</sup> Given persistently elevated levels of unemployment and the expected extension of the PHE (and related FCCRA continuous coverage requirement) through the end of 2021, states are likely to see enrollment continue to rise for the foreseeable future. As states grapple with uncertain fiscal situations, the implications of continued Medicaid enrollment growth on state budgets and on access to coverage for millions of people will continue to be front and center issues for policymakers.

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<sup>14</sup> <https://www.bls.gov/news.release/empstat.nr0.htm>

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## Appendix – Methodology

Manatt Health developed this survey through a comprehensive review of state websites and enrollment databases.<sup>15</sup> Through this review, we were able to locate enrollment data for over 40 states. Where possible, in addition to total enrollment by state, we also collected data by Medicaid eligibility category.

### **Constructing Eligibility Categories**

For the eligibility category analysis, Manatt analyzed available state data and categorized state-specific eligibility categories into the following four groups: expansion adults, children, non-expansion adults, and aged, blind, and disabled individuals. In general, we followed the following principles when assigning eligibility categories:

- “Expansion Adults” includes adults enrolled in the ACA new adult group (i.e., the “VIII Group”).
- “Children” includes those enrolled in both Medicaid and CHIP. Children enrolled on the basis of a disability are included in the “Aged, Blind, and Disabled” category.
- “Non-expansion Adults” includes all non-expansion, non-aged, non-disabled adults. In general, this includes parents and caretaker relatives, pregnant women, and certain other categories.
- “Aged, Blind, and Disabled” includes individuals eligible for Medicaid on the basis of being blind or disabled, including those receiving supplemental security income (SSI), those receiving long-term care services, individuals enrolled in home and community-based (HCBS) programs, and certain others.

Since states construct eligibility categories differently and supply data with differing levels of detail, we were not always able to classify eligibility categories into one of these four categories. Individuals in eligibility categories that could not be classified are counted in total enrollment, but do not appear in the eligibility category-specific tables.

### **Limitations**

This analysis is limited by the variable availability, robustness, and specifications of state data. While we were able to locate enrollment data for over 40 states, only a handful of these states report data with a lag time of less than one month. States also supply varying levels of detail and use different enrollment counting methods, preventing us from being able to calculate overall growth rates by summing enrollment totals across states (we instead compare individual state growth rates across states). Not all states provide eligibility category detail (or provide data on only some eligibility categories), while other states report data for managed care populations but not their fee-for-service programs. States also use varying methods of counting enrollment (or do not specify how they are counting). For example, some states use “point-in-time” methods, where monthly enrollment is counted as of a specific date. Others use “ever-enrolled” methods, where all individuals enrolled at any point in time during the month are counted in the total. For these reasons, enrollment number totals in this survey are not necessarily comparable and should not be summed across states.

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<sup>15</sup> Sources and state-specific data notes can be found in the “References” tab of the workbook.