

## Conducting Eligibility Redeterminations at the Individual Level: State Diagnostic Assessment Tool

Authored by Manatt Health

August 2023

### Background

Early unwinding-related renewal data shows that many states have low *ex parte* renewal rates and high procedural termination rates.<sup>1</sup> One contributing factor that the Centers for Medicare & Medicaid Services (CMS) and states have identified is that some states are conducting *ex parte* renewal processes at the household level, rather than at the individual level, as required by federal regulations.

Per federal [renewal requirements](#) at 42 C.F.R. §§ 435.916(a)(2) and 457.343, states are required to make a redetermination of eligibility for an individual who is enrolled in Medicaid or the Children's Health Insurance Program (CHIP), whether on the basis of Modified Adjusted Gross Income (MAGI) or non-MAGI, on an *ex parte* basis, "without requiring information from the individual if able to do so based on reliable information contained in the individual's account or other more current information available to the agency."<sup>2</sup> If the agency is able to renew eligibility based on the information, the agency must redetermine eligibility for the individual and no additional information is needed. If information is insufficient to renew or redetermine the individual's continued eligibility on an *ex parte* basis, the agency must send a renewal form and request only the information that is necessary to redetermine eligibility.<sup>3</sup>

Eligibility determinations and redeterminations must be conducted at the individual level, based on an individual's household income and other eligibility criteria that are applicable to that individual. Oftentimes, households are comprised of multiple members who are subject to different eligibility criteria and are eligible for different groups on different bases (e.g., children are generally eligible for Medicaid and CHIP coverage based on higher income eligibility levels than their parents, and are therefore more likely to be determined and redetermined eligible for Medicaid or CHIP coverage) or a different program. In cases where one or more members of a household are unable to have their eligibility redetermined on an *ex parte* basis, states must still proceed with redetermining eligibility for members of the household for whom coverage *can* be redetermined *ex parte*. When sending renewal forms and requests for additional information to households, states may only seek information that is necessary to renew eligibility for the member(s) of the household whom the state was unable to redetermine *ex parte*.

This diagnostic assessment tool is designed to assist states in assessing whether they are conducting *ex parte* and other renewal processes at the individual level in accordance with federal regulatory requirements. To use this tool, states should convene a team of key policy, operations and systems owners [eligibility and enrollment policy, operations, information technology (IT) systems leads, and vendors] to review and answer these questions. This will require close review and analysis of eligibility and enrollment policies, IT system business rules and other system artifacts, and operating procedures.

CMS has communicated to states that it intends to release guidance that will outline a menu of mitigations that states can use while they come into compliance with the federal requirement that redeterminations occur at the individual level. States with policy, systems, or operational renewal processes based on the household level will need to implement mitigation strategies while they work to make necessary changes to systems and operations in order to bring the state into compliance with federal regulations. CMS has also communicated that states should pause procedural and other terminations, as appropriate, until these mitigations can be implemented, and that states must reinstate coverage for anyone for whom coverage has been inappropriately terminated because of this issue.

## Diagnostic Assessment

### I. Verifying Income Eligibility at the Individual Level at Renewal

The following table outlines diagnostic questions that a state can use to assess whether it is conducting *ex parte* income eligibility verification at the individual level. Specifically, these diagnostic questions can help a state identify whether *ex parte* renewal is occurring at the individual level, even if the state requires additional income or other information or document verification for some, but not all, members of the household.<sup>4</sup>

Verifying Income Eligibility at the Individual Level		
Step	Diagnostic Question: When There Are Multiple Members of a Household, Does Your State . . .	How the Answer to the Question Determines if Your State Is Conducting <i>Ex Parte</i> Income Verification at the Individual Level at Renewal
1.	Verify income eligibility using available, reliable <i>ex parte</i> income data for each member of the household against the state's eligibility income levels?	<p>If <b>NO</b>, your state is not conducting <i>ex parte</i> income verification at the individual level. This is because states:</p> <ul style="list-style-type: none"> <li>• Must compare a child's income to the eligibility income level(s) for children in the state and an adult's income to the adult eligibility income level(s) in the state.</li> <li>• May not compare every member of the household against only one household eligibility level, if individuals in the household are eligible on different bases.</li> </ul> <p>If <b>YES</b>, proceed to diagnostic question #2.</p>
2.	Renew coverage <i>ex parte</i> if available, reliable income data determines continued eligibility for some household members, even if more information is needed for other members of the household?	<p>If <b>NO</b>, your state is not redetermining coverage <i>ex parte</i> at the individual level. This is because states:</p> <ul style="list-style-type: none"> <li>• Must renew coverage <i>ex parte</i> for each individual member in the household who is eligible for coverage, regardless of whether other individuals in the household can be determined eligible on an <i>ex parte</i> basis.</li> <li>• May not hold back/block individuals from being renewed <i>ex parte</i> because another member of the household is unable to have their coverage renewed <i>ex parte</i>.</li> </ul>

Verifying Income Eligibility at the Individual Level		
Step	Diagnostic Question: When There Are Multiple Members of a Household, Does Your State . . .	How the Answer to the Question Determines if Your State Is Conducting <i>Ex Parte</i> Income Verification at the Individual Level at Renewal
		If <b>YES</b> , proceed to diagnostic question #3.
3.	Only send renewal forms/requests for information needed to complete a renewal for individuals who were not able to be redetermined on an <i>ex parte</i> basis?	<p>If <b>NO</b>, your state is not redetermining coverage <i>ex parte</i> at the individual level. This is because states:</p> <ul style="list-style-type: none"> <li>• Must only require individuals who were unable to have their coverage renewed <i>ex parte</i> to return a renewal form/request for information.</li> <li>• May not require the entire household to complete a renewal form/request for information if the eligibility of some members could have been determined <i>ex parte</i>.</li> </ul> <p>If <b>YES</b>, proceed to diagnostic question #4.</p>
4.	Complete the eligibility redetermination for household members based on information returned that determines they continue to be eligible? Only terminate coverage for individuals in the household who were not found eligible based on a review of available, reliable income data and who: (a) did not return the renewal form/respond to the request for verification information; or (b) did respond to the renewal form/request for verification information but were found ineligible based on that information?	<p>If <b>NO</b>, your state is not redetermining coverage <i>ex parte</i> at the individual level. This is because states:</p> <ul style="list-style-type: none"> <li>• Must redetermine eligibility for household members based on information returned that determines they continue to be eligible.</li> <li>• Must only terminate coverage for the household members who were found ineligible based on verification information they provided or who did not return the renewal form/respond to the request for verification information.</li> <li>• May not terminate eligibility for all household members because one or more household members were found ineligible for procedural or other reasons.</li> </ul> <p>If <b>YES</b> to all of the questions above, your state appears to be conducting <i>ex parte</i> verification at the individual level.</p>

### Scenario 1: Verifying Income Eligibility at the Individual Level

**Household Profile:** A mother and child are each enrolled in Medicaid on the basis of MAGI, as a household of two. The state's MAGI Medicaid threshold is 133% of the federal poverty level (FPL) for adults and 200% of the FPL for children. The state's separate CHIP eligibility threshold is 250% of the FPL.

**Redetermination Actions:** At renewal, the state conducts an *ex parte* review and renewal at the individual level by taking the following steps:

- **Step 1:** Verify income eligibility using available, reliable *ex parte* income data for each member of the household against the state's eligibility income levels.
  - Based on a review of data, the child's MAGI income is 145% of the FPL, as compared to the child eligibility income level of 200% FPL.
  - Based on a review of data, the mother's MAGI income is 145% of the FPL, as compared to the adult eligibility income level of 133% FPL.
- **Step 2:** Renew coverage *ex parte* if available, reliable income data determines continued eligibility for some household members, even if more information is needed for other members of the household.
  - **Child:**
    - 145% of the FPL is below the state's MAGI Medicaid eligibility level for children of 200% of the FPL.
    - The child continues to be eligible for Medicaid.
    - The child's coverage is redetermined *ex parte*.
    - No additional action is needed with regard to the child's redetermination.
  - **Mother:**
    - 145% of the FPL is above the state's MAGI Medicaid eligibility level for adults of 133% of the FPL.
    - The state is unable to redetermine the mother's continued eligibility based on available, reliable income data.
    - Additional information is needed to verify the mother's eligibility.
    - Proceed to Step 3.
- **Step 3:** Only send renewal forms/requests for information needed to complete a renewal for individuals who were not able to be redetermined on an *ex parte* basis.
  - **Child:**

- No additional information is needed for determining the child’s eligibility.
- Mother:
  - The state must send the mother (or the household) a prepopulated renewal form, requesting only the additional information that is needed to determine the mother’s eligibility.
  - The child’s information will be included on the form as a dependent of the household.
- *Step 4:* Complete the eligibility redetermination for household members based on information returned that determines they continue to be eligible. Only terminate coverage for individuals in the household who were not found eligible based on a review of available, reliable income data through *ex parte* renewal and who: (a) did not return the renewal form/respond to the request for verification information; or (b) did respond to the renewal form/request for verification information but were found ineligible based on that information.
  - Child:
    - Not applicable. The child’s coverage has already been renewed *ex parte*.
  - Mother:
    - If the mother responds and the information provided verifies she is eligible, renew her coverage.
    - If the mother does not respond to the renewal form, the mother’s coverage is terminated.
    - If the mother responds to the renewal form and the information provided verifies she is ineligible on all bases of eligibility, the mother’s coverage is terminated.

## II. Verifying Other Eligibility Criteria at the Individual Level at Renewal

The following table outlines diagnostic questions that a state can use to assess whether it is conducting an eligibility renewal at the individual level when additional information or verification is needed for some household members. Specifically, these diagnostic questions can help a state identify whether renewal is occurring at the individual level, even if the state requires additional eligibility information or document verification for some, but not all, members of the household. For example, when a household is comprised of: (1) both MAGI and non-MAGI members and asset information is unable to be verified *ex parte* for one or more non-MAGI members of the household; and (2) individuals with different citizenship and/or immigration statuses and immigration/citizenship information is unable to be verified *ex parte* for one or more members of the household. *Examples are not exhaustive.*

Verifying Other Eligibility Criteria at the Individual Level		
Step	Diagnostic Question: When There Are Multiple Members of a Household, Does Your State . . .	How the Answer to the Question Determines if Your State Is Conducting <i>Ex Parte</i> Verification at the Individual Level at Renewal
1.	Verify other eligibility criteria using available, reliable <i>ex parte</i> data for each member of the household against the state's eligibility criteria?	<p>If <b>NO</b>, your state is not conducting <i>ex parte</i> verification of other factors of eligibility at the individual level. This is because states:</p> <ul style="list-style-type: none"> <li>• Must compare each individual against the eligibility criteria in the state (e.g., MAGI enrollees are subject to MAGI eligibility criteria and non-MAGI enrollees are subject to non-MAGI eligibility criteria).</li> </ul> <p>If <b>YES</b>, proceed to diagnostic question #2.</p>
2.	Renew coverage <i>ex parte</i> if available, reliable data for applicable eligibility criteria determines continued eligibility for some household members, even if more information is needed for other members of the household?	<p>If <b>NO</b>, your state is not redetermining coverage <i>ex parte</i> at the individual level. This is because states:</p> <ul style="list-style-type: none"> <li>• Must renew coverage <i>ex parte</i> for each individual member in the household who is eligible for coverage, regardless of whether other individuals in the household can be determined eligible on an <i>ex parte</i> basis.</li> <li>• May not hold back/block individuals from being renewed <i>ex parte</i> because another member of the household is unable to have their coverage renewed <i>ex parte</i>.</li> </ul>

Verifying Other Eligibility Criteria at the Individual Level		
Step	Diagnostic Question: When There Are Multiple Members of a Household, Does Your State . . .	How the Answer to the Question Determines if Your State Is Conducting <i>Ex Parte</i> Verification at the Individual Level at Renewal
		If <b>YES</b> , proceed to diagnostic question #3.
3.	Only send renewal forms/requests for information needed to complete a renewal for individuals who were not able to be redetermined on an <i>ex parte</i> basis?	<p>If <b>NO</b>, your state is not redetermining coverage <i>ex parte</i> at the individual level. This is because states:</p> <ul style="list-style-type: none"> <li>• Must only require individuals who were unable to have their coverage renewed <i>ex parte</i> to return a renewal form/request for information.</li> <li>• May not require the entire household to complete a renewal form/request for information if eligibility for some members could have been determined <i>ex parte</i>.</li> </ul> <p>If <b>YES</b>, proceed to diagnostic question #4.</p>
4.	Complete the eligibility redetermination for household members based on information returned that determines they continue to be eligible? Only terminate coverage for individuals in the household who were not found eligible based on a review of available, reliable information and who: (a) did not respond to the renewal form/request for verification information; or (b) did respond to the renewal form/request for verification information but were found ineligible based on that information?	<p>If <b>NO</b>, your state is not redetermining coverage <i>ex parte</i> at the individual level. This is because states:</p> <ul style="list-style-type: none"> <li>• Must redetermine eligibility for household members based on information returned that determines they continue to be eligible.</li> <li>• Must only terminate coverage for the household members who were found ineligible based on verification information they provided or who did not respond to the renewal form/request for information.</li> <li>• May not terminate eligibility for all household members because one or more household members were found ineligible for procedural or other reasons.</li> </ul> <p>If <b>YES</b> to all of the questions above, your state appears to be conducting <i>ex parte</i> verification at the individual level.</p>



## Scenario 2: Verifying Other Eligibility Criteria at the Individual Level

**Household Profile:** A father and child are each enrolled in Medicaid on the basis of MAGI, as a household of two. The state's MAGI Medicaid threshold for adults is 133% of the FPL and 200% for children. The state's separate CHIP eligibility threshold is 250% of the FPL. The household income for the father and child is 100% of the FPL, making both MAGI Medicaid eligible based on income.

**Redetermination Actions:** At renewal, the state conducts an *ex parte* review and renewal at the individual level by taking the following steps:

- **Step 1:** Verify other eligibility criteria using available, reliable *ex parte* data for each member of the household against the state's eligibility criteria.
  - Based on review of data, child's continued eligibility is able to be determined.
  - Based on a review of data, father's continued eligibility cannot be determined. One non-income eligibility criteria (e.g., immigration status) for the father is not able to be verified.
  
- **Step 2:** Renew coverage *ex parte* if available, reliable data for applicable eligibility criteria determines continued eligibility for some household members, even if more information is needed for other members of the household.
  - Child:
    - 100% of the FPL is below the state's MAGI Medicaid eligibility level for children of 200% of the FPL.
    - No other eligibility criteria need to be verified.
    - The child continues to be eligible for Medicaid.
    - The child's coverage is redetermined *ex parte*.
    - No additional action is needed with regard to the child's redetermination.
  - Father:
    - 100% of the FPL is below the state's MAGI Medicaid eligibility level for adults of 133% of the FPL.
    - The state is unable to verify one non-income eligibility criteria (eligible immigration status) for the father, necessary to redetermine continued eligibility.
    - Additional information is needed to verify the father's eligibility.
    - The father's continued eligibility cannot be redetermined via *ex parte*.
    - Proceed to Step 3.
  
- **Step 3:** Only send renewal forms/requests for information needed to complete a renewal for individuals who were not able to be redetermined on an *ex parte* basis.

- Child:
  - No additional information is needed for determining the child's eligibility.
- Father:
  - The state must send the father (or the household) a prepopulated renewal form, requesting only the additional information that is needed to determine the father's eligibility (eligible immigration status).
  - The child's information will be included on the form as a dependent of the household.
- *Step 4:* Complete the eligibility redetermination for household members based on information returned that determines they continue to be eligible. Only terminate coverage for individuals in the household who were not found eligible based on a review of available, reliable data through *ex parte* renewal and who: (a) did not respond to the renewal form/request for verification information; or (b) did respond to the renewal form/request for verification information but were found ineligible based on that information.
  - Child:
    - Not applicable. The child's coverage has already been renewed *ex parte*.
  - Father:
    - If the father responds and the information provided verifies he is eligible, renew his coverage.
    - If the father does not respond to the renewal form, the father's coverage is terminated.
    - If the father responds to the renewal form and the information provided verifies he is ineligible on all bases of eligibility, the father's coverage is terminated.

## ENDNOTES

---

<sup>1</sup> CMS, “Data Reporting,” available at <https://www.medicaid.gov/resources-for-states/coronavirus-disease-2019-covid-19/unwinding-data-reporting/index.html>; see also Georgetown Center on Children and Families, “State Unwinding Renewal Data,” available at <https://ccf.georgetown.edu/2023/07/14/whats-happening-with-medicaid-renewals/>.

<sup>2</sup> 42 CFR §§ 435.916(a)(2); 457.343.

<sup>3</sup> 42 CFR §§ 435.916(a)(2) and (3); 457.343.

<sup>4</sup> “Household” throughout the diagnostic tool includes Medicaid MAGI, Medicaid non-MAGI, and/or CHIP enrollees.

Support for this toolkit was provided by the Robert Wood Johnson Foundation. The views expressed here do not necessarily reflect the views of the Foundation.

---

## ABOUT THE ROBERT WOOD JOHNSON FOUNDATION

The Robert Wood Johnson Foundation (RWJF) is committed to improving health and health equity in the United States. In partnership with others, we are working to develop a Culture of Health rooted in equity that provides every individual with a fair and just opportunity to thrive, no matter who they are, where they live, or how much money they have.

Health is more than an absence of disease. It is a state of physical, mental, and emotional wellbeing. It reflects what takes place in our communities, where we live and work, where our children learn and play, and where we gather to worship. That is why RWJF focuses on identifying, illuminating, and addressing the barriers to health caused by structural racism and other forms of discrimination, including sexism, ableism, and prejudice based on sexual orientation.

We lean on evidence to advance health equity. We cultivate leaders who work individually and collectively across sectors to address health equity. We promote policies, practices, and systems-change to dismantle the structural barriers to wellbeing created by racism. And we work to amplify voices to shift national conversations and attitudes about health and health equity.

Through our efforts, and the efforts of others, we will continue to strive toward a Culture of Health that benefits all. It is our legacy, it is our calling, and it is our honor.

For more information, visit [www.rwjf.org](http://www.rwjf.org).

---

## ABOUT STATE HEALTH AND VALUE STRATEGIES—PRINCETON UNIVERSITY SCHOOL OF PUBLIC AND INTERNATIONAL AFFAIRS

State Health and Value Strategies (SHVS) assists states in their efforts to transform health and healthcare by providing targeted technical assistance to state officials and agencies. The program is a grantee of the Robert Wood Johnson Foundation, led by staff at Princeton University's School of Public and International Affairs. The program connects states with experts and peers to undertake healthcare transformation initiatives. By engaging state officials, the program provides lessons learned, highlights successful strategies and brings together states with experts in the field. Learn more at [www.shvs.org](http://www.shvs.org).

---

## ABOUT MANATT HEALTH

This toolkit was prepared by Kinda Serafi, Patti Boozang, and Kaylee O'Connor. Manatt Health integrates legal and consulting expertise to better serve the complex needs of clients across the healthcare system. Our diverse team of more than 160 attorneys and consultants from Manatt, Phelps & Phillips, LLP and its consulting subsidiary, Manatt Health Strategies, LLC, is passionate about helping our clients advance their business interests, fulfill their missions, and lead healthcare into the future. For more information, visit <https://www.manatt.com/Health>.