

## THE SECRETARY OF HEALTH AND HUMAN SERVICES WASHINGTON, D.C. 20201

July 28, 2023

## Dear Governor:

Today, the U.S. Department of Health and Human Services (HHS) released the first full set of data on states' Medicaid coverage renewals and disenrollments from March and April. States that began terminating coverage in March or April can view their state's data at Medicaid.gov/unwinding.

Everyone deserves healthcare, and it is a top priority of the Biden-Harris Administration to make sure that people have coverage and keep coverage that's right for them — whether that's Medicaid, Medicare, Marketplace, or employer-sponsored coverage. While we do not currently have data on individuals transitioning out of Medicaid to other sources of coverage, I am deeply concerned about high rates of procedural disenrollments due to "red tape" and other paperwork issues.

As we begin reviewing data from the first few months of this process, I am once again urging you to adopt <u>strategies</u> that we have offered to help individuals and families keep their health coverage. The federal government is taking every possible action to keep people covered, but states are responsible for ensuring their renewal processes comply with all federal requirements. Adopting the strategies the Biden-Harris Administration has made available to keep eligible people enrolled, such as renewing eligibility based on information from other programs, like the Supplemental Nutrition Assistance Program (SNAP), will make it easier for people to renew their coverage while also reducing state administrative burden.

In particular, I strongly encourage states to do more to adopt strategies to automatically renew coverage for people where the state already has data showing the person is eligible for Medicaid or Children's Health Insurance Program (CHIP) coverage, known as "ex parte" renewal. While states are required to operate this automatic renewal policy under federal regulations, there is wide variation between states, with some using this strategy more effectively than others. Automatically renewing coverage is one of the strongest tools to keep eligible people and families enrolled in coverage. We remain available to provide technical assistance to help states improve their ex parte renewals process.

Throughout this process, I have been particularly concerned that parents and legal guardians may not understand that even if they transition out of Medicaid, their children are very likely to still be eligible for coverage through Medicaid or CHIP. We must do more to ensure that our children have access to the care they need and making sure they are still enrolled in coverage is the first step. That is why you should consider adopting the strategies described above to streamline renewals for kids and families based on your state's existing information about their eligibility.

As the Secretary of HHS, I take our responsibilities to the programs and the people they serve extremely seriously. We are closely reviewing the data, and where states are not complying with federal requirements, we are taking action to prevent eligible people from losing coverage. This includes requiring states to pause disenrollments, reinstate coverage, adopt strategies to support individuals through the renewal process, and address systems issues in order to continue to receive the enhanced federal funding under the Consolidated Appropriations Act of 2023.

Thank you for your continued partnership. Should you have any questions now or in the future, please do not hesitate to contact our Office of Intergovernmental and External Affairs.

Sincerely, Xavier Becerra Secretary U.S. Department of Health & Human Services