



October 21, 2021

Xavier Becerra
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue S.W.
Washington, DC 20201

Dear Secretary Becerra,

The National Association of Medicaid Directors (NAMD), ADvancing States, the National Association of State Directors of Developmental Disabilities Services (NASDDDS), and the National Association of State Mental Health Program Directors (NASMHPD) are writing to request the Department of Health and Human Services (HHS) provide states with longer-term certainty around the duration of the public health emergency (PHE). This certainty is crucial to ensuring that states can smoothly resume normal Medicaid operations following the end of the PHE and make accurate budget projections for their Medicaid programs.

Specifically, we are requesting that:

- Recognizing that COVID may surge again in the future, that the nation has not yet reached herd immunity levels for immunization, and that efforts to provide initial vaccinations and boosters to remain ongoing, we request that HHS signal to states that it is unlikely to end the PHE before July 1, 2022. This will provide states with adequate time to prepare for the significant operational changes associated with the end of the PHE and, for many states, align with the beginning of the fiscal year.
- HHS end the PHE on the first day of a fiscal quarter. This will provide a full quarter of enhanced federal match for Medicaid expenditures, as allowed under current law, while Medicaid programs resume normal operations and begin processing redeterminations for the millions of enrollees across the country who have remained on the program during the PHE. This will also ensure Medicaid enrollees receive a full month of coverage under current statute before disenrollments begin.
- HHS increase its commitment for advance notice of the end of the PHE from the current 60 days to the maximum 90 days allowed under statute to provide states with as much planning time as possible.

A number of Medicaid requirements, resources, and flexibilities are tied to the duration of the PHE. These include:

- A 6.2 percentage point increase in the federal contribution for Medicaid programs, which is available for any quarter in which the PHE is declared.
- Corresponding maintenance of effort and continuous enrollment requirements, which continue until the end of the month in which the PHE is declared.
- Regulatory flexibilities secured through 1135 waivers, Medicaid and CHIP Disaster State Plan Amendments, appendix K modifications to home- and community-based service 1915(c) waivers, and COVID-19 section 1115 demonstration waivers.

Together, these changes have allowed states to rapidly expand telehealth service availability, launch innovative programs to increase access to COVID-19 tests and vaccines, support essential providers, and make other critical changes to strengthen the health of communities across the country. These changes continue to be critical as state Medicaid programs experience record-breaking enrollments. Data from the Centers for Medicare and Medicaid Services (CMS) shows that as of April 2021, over 82 million Americans were enrolled in Medicaid and CHIP, driven in part by the continuous coverage requirements that apply to the federal match enhancement.

As outlined in CMS' August 2021 guidance, state Medicaid programs will be required to conduct new redeterminations for all enrollees who were found to be ineligible during the PHE. States will have 12 months from the end of the PHE to complete these redeterminations, along with all other pending eligibility and enrollment actions. This represents an immense amount of work for state agencies. States have reported considerable operational complexities associated with preparing to resume normal operations on a yet-to-be-determined date, including needing to hire and train new staff, roll out information technology system updates, and communicate complex and quickly changing eligibility rules to their members. Providing advance notice to states on the end of the PHE will ensure that state Medicaid agencies can smoothly resume standard operations and effectively transition members who are no longer eligible for Medicaid to alternative coverage, such as marketplace coverage.

This uncertainty also has a significant impact on state budget projections. With each PHE extension, states are faced with revising caseload growth and program expenditure projections. This dynamic is especially problematic during state budget negotiations, as Medicaid Chief Financial Officers are essentially required to speculate as to when the PHE might end in their budget projections. This lack of certainty in

projections produces an untenable situation for Medicaid agencies and state policymakers.

HHS can mitigate these impacts by providing states with more certainty around the future of the PHE. We recognize that statute requires the PHE to be authorized only in 90-day increments, and thus there will be a need to issue a new declaration on a quarterly basis. However, by committing to states that the PHE will not end before July 1, 2022, the PHE will end on the first day of a quarter, and 90 days advance notice will be given, HHS can ensure that states are well-prepared to resume normal Medicaid operations at the end of the PHE.

We appreciate your consideration of this request. Steps to provide states with certainty around the timing of the end of the PHE will promote sound planning for the resumption of normal Medicaid operations, helping to ensure stable coverage for the millions of Americans served by this program.

Sincerely,



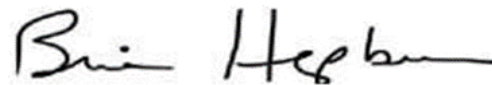
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