

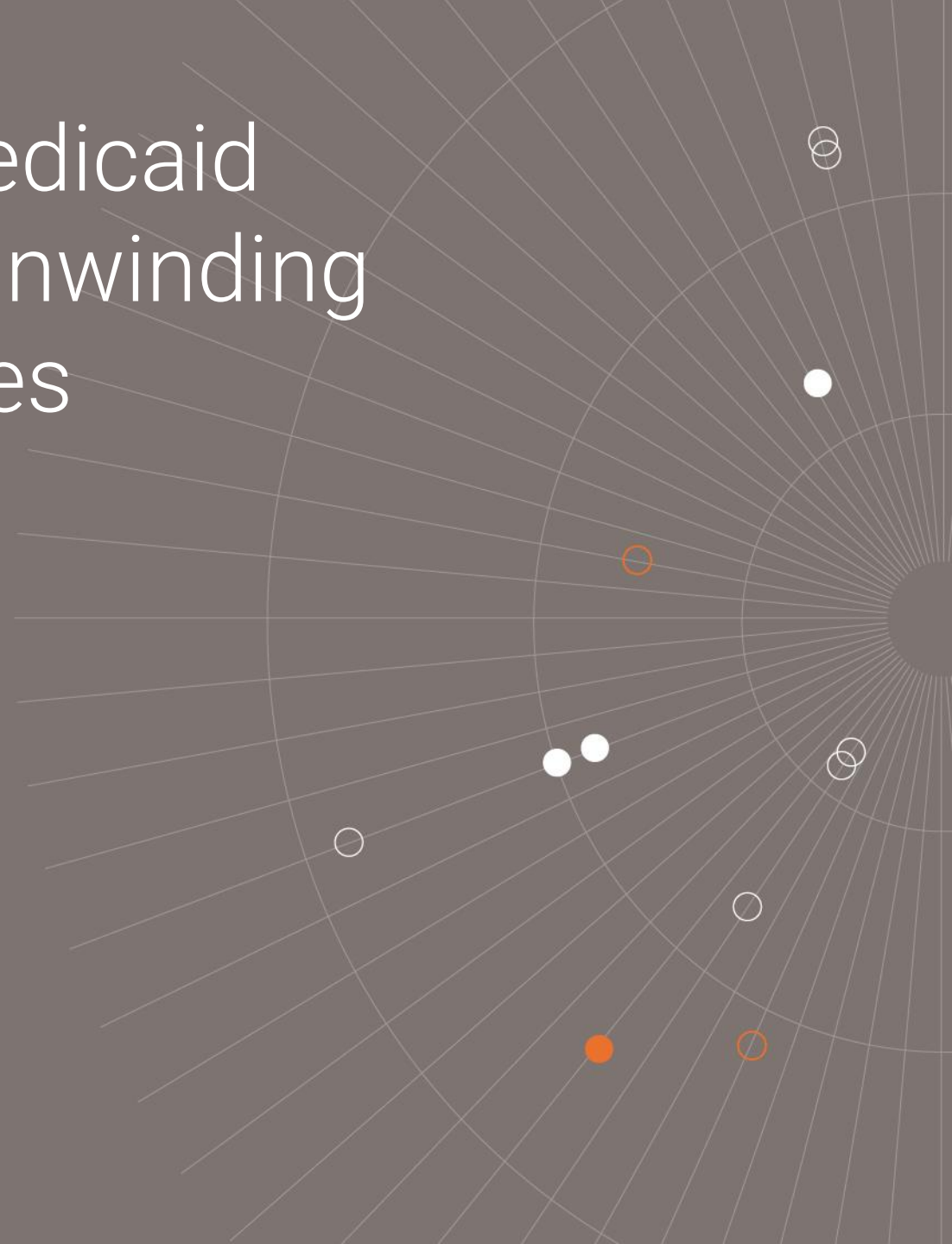
# Analyzing the Impact of Medicaid Redeterminations During Unwinding on Dual Eligible Beneficiaries

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Coverage Loss and Churn Among Full Dual Eligibles

November 2024

Research supported by AHIP



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# Project Background

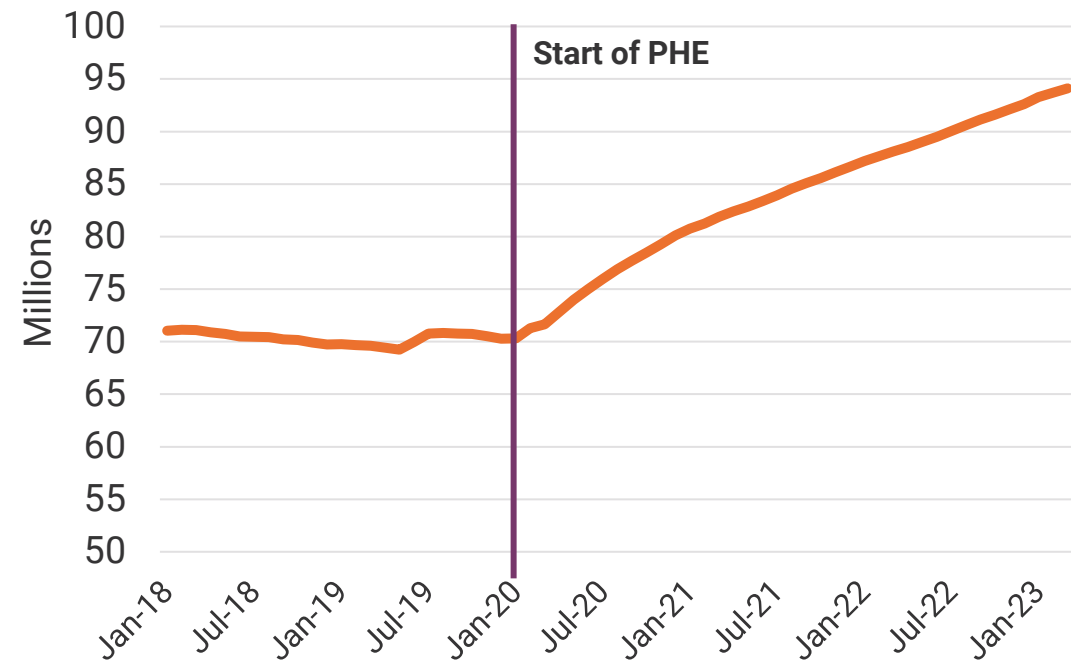


## Medicaid Unwinding

**States were given increased federal funding to provide continuous Medicaid eligibility during the public health emergency (PHE).**

- While the continuous enrollment provision was in effect, Medicaid enrollment increased by **23 million** individuals (32.5%)
- This provision ended in **April 2023** and states began the process of redetermining eligibility for all **94 million** Medicaid enrollees
- States were initially given until **June 2024** to initiate redeterminations for their entire Medicaid population but that has been extended to **December 2025**

**Medicaid/CHIP Enrollment Pre-PHE and During the PHE**



Prior to our analysis, there were limited data on the impact of the Medicaid unwinding process on vulnerable Medicaid populations, including dual eligibles.

**Those dually enrolled in Medicaid and Medicare (dual eligibles) are particularly vulnerable to disruptions in Medicaid coverage:**

- Dual eligibles have **high medical needs** and face **high health care costs** without coverage
- Dual eligibles with full Medicaid coverage are at **risk of losing access** to Medicaid services not covered by Medicare, such as:
  - Home and Community Based Services (HCBS),
  - Long term nursing care

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# Key Findings



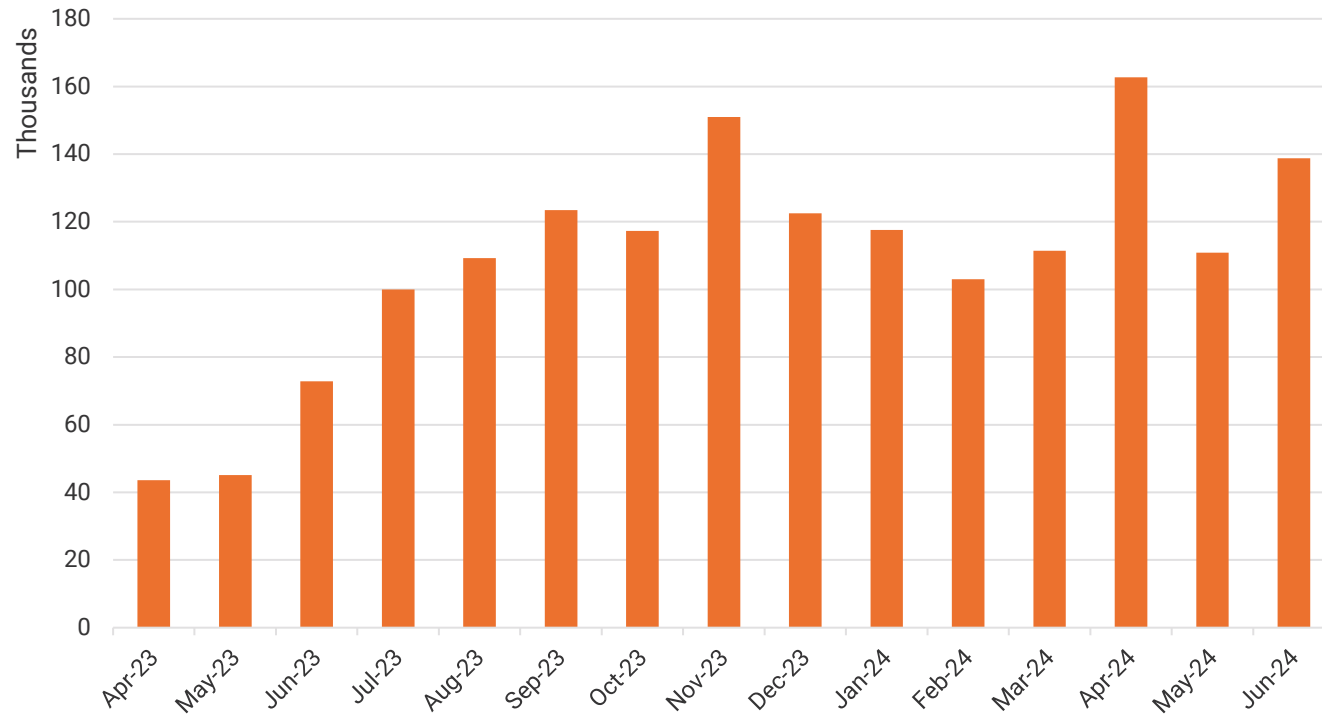
# Executive Summary

**NORC analyzed the impacts of unwinding from April 2023 through June 2024 using Medicare enrollment data (MBSF) on the cohort of full dual eligibles enrolled in Medicaid in March 2023:**

- **Over 1.6 million dually-enrolled individuals lost full Medicaid coverage** since the unwinding period began in April 2023. This represents over 17% of full dual eligibles enrolled prior to unwinding (compared to coverage loss of 27% among the full Medicaid population including dual eligibles).
  - The percent of dual eligibles experiencing coverage loss varies by state, ranging from 6% in New York and Alabama to 53% in Utah.
- So far during the unwinding period, **2.1% of dual eligibles have lost coverage and re-enrolled in Medicaid** (also known as churn).
  - The percent of dual eligibles experiencing churn varies by state, ranging from less than 1% in Alabama to approximately 6% in North Dakota and Utah.

Since the beginning of the Medicaid unwinding process, over 1.6 million dual eligibles (who were enrolled in March 2023) have lost their Medicaid coverage.<sup>1</sup>

**Full Dual Eligibles Enrolled in March 2023 Losing Coverage Each Month**



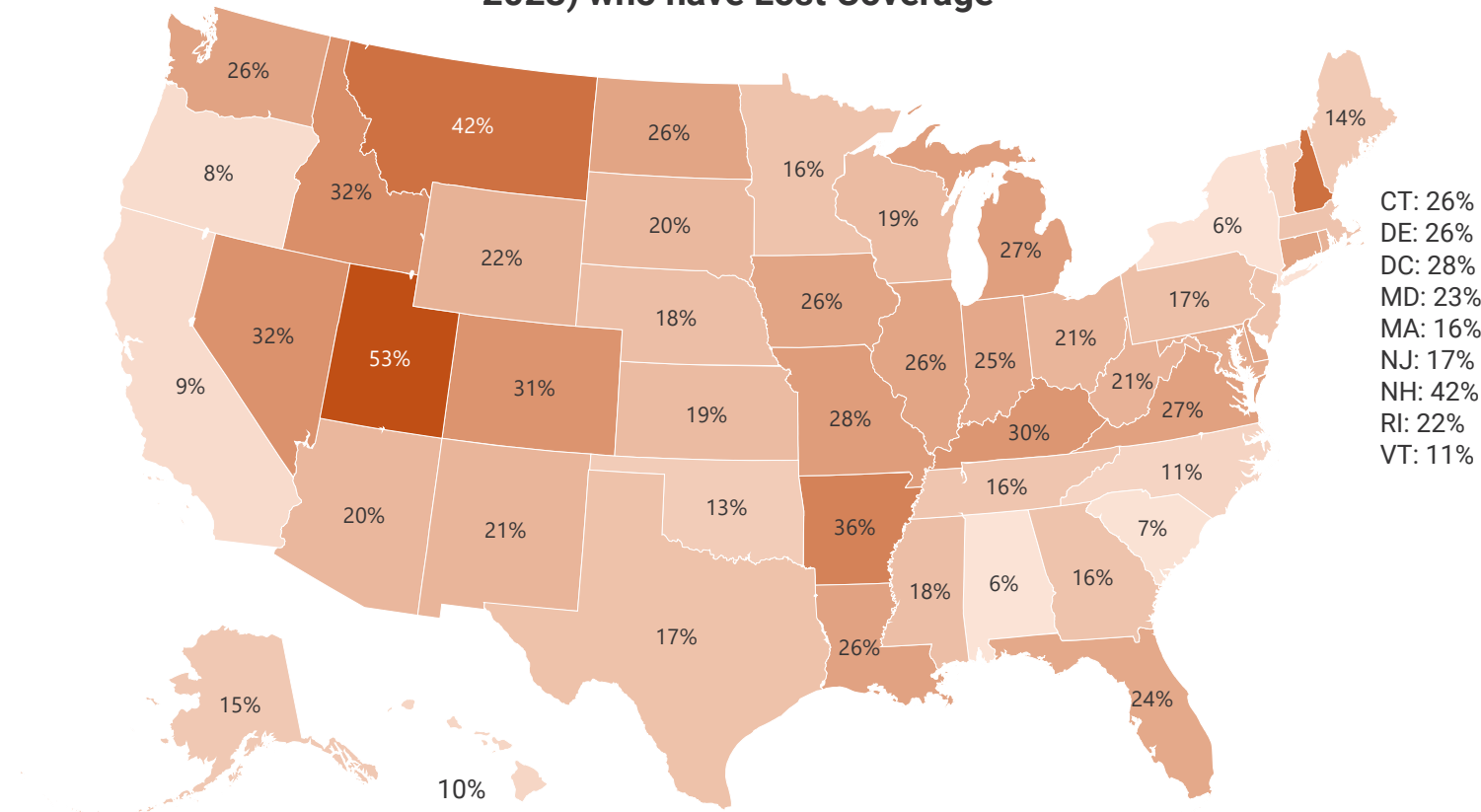
 This represents coverage loss for over **17% of full dual eligibles** enrolled before the unwinding process began

During the Medicaid unwinding process **27% of the full Medicaid population** (including dual eligibles) have lost coverage (as of June 2024)

<sup>1</sup>Coverage loss is defined as those who lost coverage for reasons other than death.

Coverage loss among dual eligibles during the unwinding period varies by state, ranging from 6% of dual eligibles in New York and Alabama to 53% in Utah.

**Percent of Full Dual Eligibles (enrolled in March 2023) who have Lost Coverage**



Percent of dual eligibles losing coverage is calculated as the number of dual eligibles who lost coverage from April 2023 to June 2024 divided by the total enrolled in March 2023



Our analysis found that the number of dual eligibles experiencing churn during the unwinding period was lower than rates of churn for dual eligibles pre-PHE.

**Churn is when an enrollee loses and later regains coverage. Historically, most churn for dual eligibles has been for administrative reasons (meaning they could still be eligible for coverage).<sup>1</sup> A low churn rate combined with high administrative disenrollments could mean eligible individuals are remaining disenrolled.**

- Nationally, over **2.1% of all dual eligibles enrolled in March 2023 experienced churn** during the study period and were enrolled as of June 2024
- We found that a **lower** number of dual eligibles are experiencing churn **compared to pre-PHE**
  - Prior research shows that 3.5-4% of disabled and older adult Medicaid enrollees experienced churn within one-year pre-PHE<sup>2</sup>
- Of dual eligibles who lost coverage, **12% have re-enrolled** during the study period
  - Prior research shows that after losing coverage, approximately 50% of dual eligibles regain coverage<sup>1,3</sup>

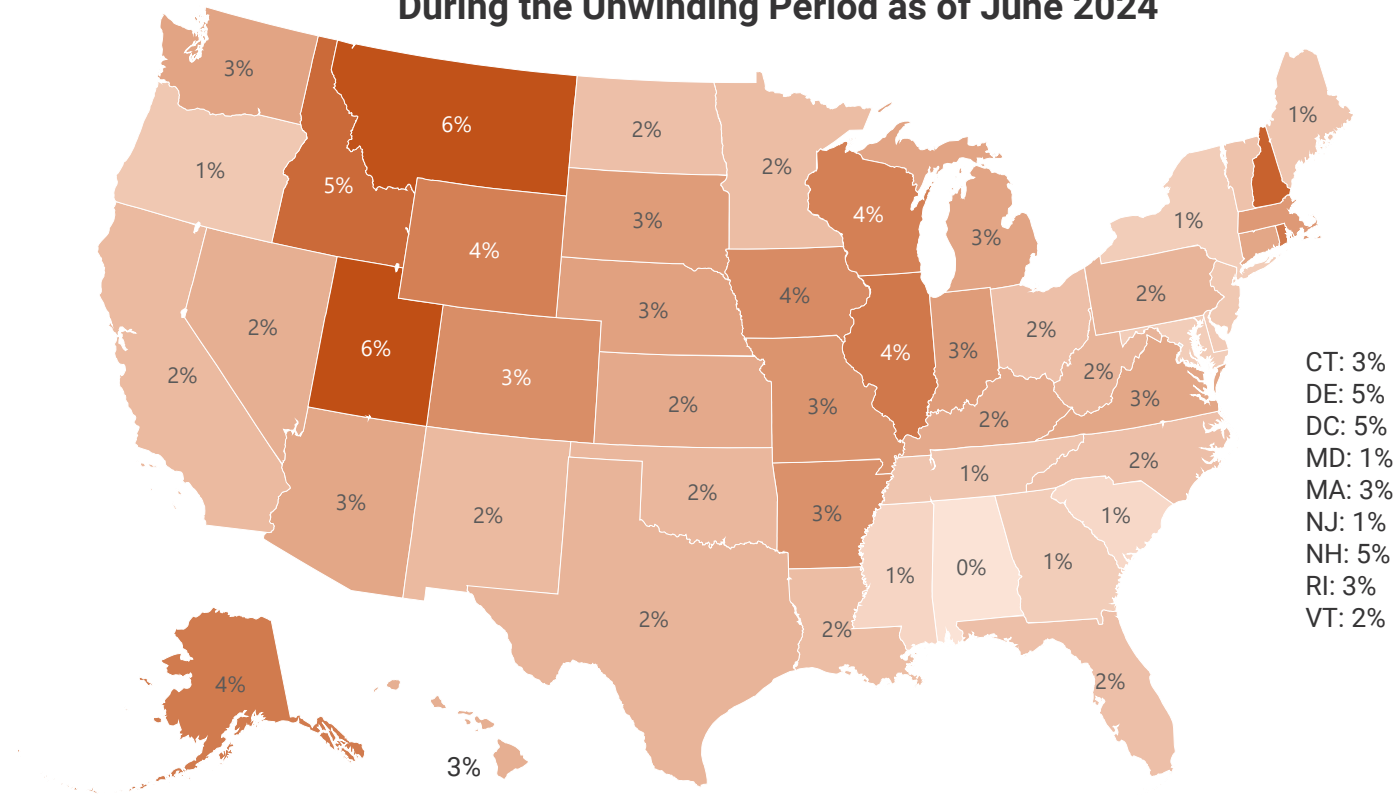
<sup>1</sup> [https://aspe.hhs.gov/sites/default/files/migrated\\_legacy\\_files/189201/DualLoss.pdf](https://aspe.hhs.gov/sites/default/files/migrated_legacy_files/189201/DualLoss.pdf)

<sup>2</sup> <https://www.kff.org/medicaid/issue-brief/medicaid-enrollment-churn-and-implications-for-continuous-coverage-policies/>

<sup>3</sup> <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2817442>

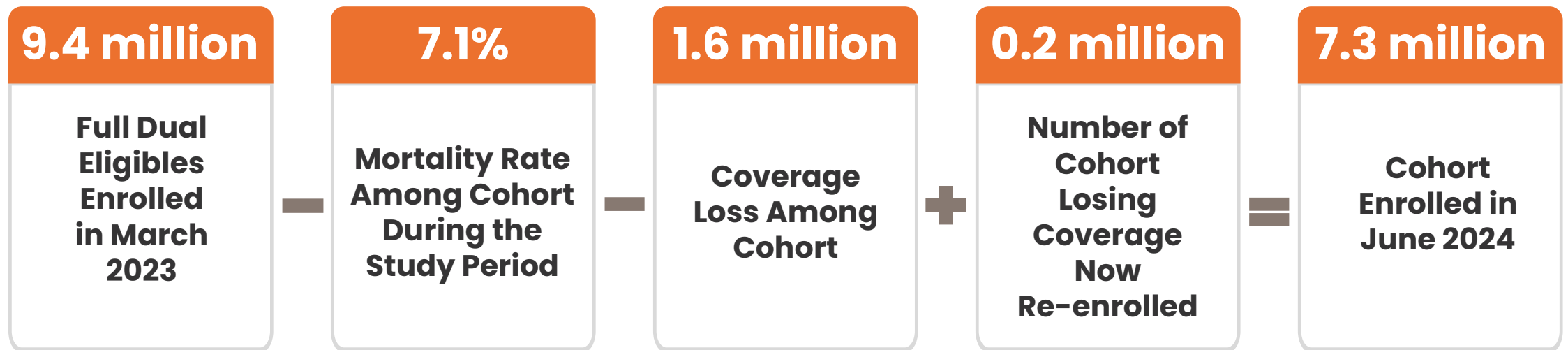
Medicaid churn during the unwinding period varied greatly by state, which is likely due to differing state approaches and prioritizations of redeterminations during the unwinding process.

**Percent of Dual Eligibles Experiencing Churn By State  
During the Unwinding Period as of June 2024**



Churn varied by state, ranging from less than **1% in Alabama** to approximately **6% in North Dakota** and **Utah**

The overall impact of the pre-unwinding period dual eligibles cohort losing coverage and regaining coverage with adjustments for mortality has reduced the original cohort from 9.4 million to 7.3 million individuals.



Studies show that coverage loss and churn among dual eligibles can be concerning for states, providers, and individuals.

**States who experience high rates of churn among dual eligibles may:**

- Incur **higher administrative costs** to reenroll individuals in coverage<sup>1,2</sup>
- See an **increase in health care utilization** among those who are returning to coverage due to pent-up demand for services<sup>3</sup>
- See **higher rates of ED use and hospitalizations** for those who experienced churn due to the gap in coverage<sup>2</sup>

<sup>1</sup> <https://pmc.ncbi.nlm.nih.gov/articles/PMC4664196/>


<sup>2</sup> [https://www.aspe.hhs.gov/sites/default/files/migrated\\_legacy\\_files/199881/medicaid-churning-ib.pdf](https://www.aspe.hhs.gov/sites/default/files/migrated_legacy_files/199881/medicaid-churning-ib.pdf)

<sup>3</sup> <https://bmchealthservres.biomedcentral.com/articles/10.1186/1472-6963-10-195>

It will be important to understand how different demographic groups within the dual eligible population experienced the unwinding process.

**Additional research is needed to learn:**


- If there are **racial or ethnic disparities** in dual disenrollment
- If dual individuals in **rural areas** were disenrolled at higher or lower rates compared to dual eligibles in urban or suburban areas
- If dual eligibles who were enrolled in **Medicaid managed care or Medicare Advantage** experienced similar rates of disenrollment compared to those enrolled in Medicaid or Medicare **fee-for-service**
- The impacts on **health care utilization** or **health care outcomes** of loss of coverage or coverage churn among dual eligibles



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# Appendices



## Methods Summary – Overview

The study period, as defined for this analysis, runs from April 2023 through June 2024. We analyzed available data through August 2024, but due to inconsistencies in the data for certain states in July and August 2024, we did not include data from these months in our analysis.

For this analysis, we utilized the Medicare Master Beneficiary Summary Base (A/B/C/D) File (MBSF). The MBSF contains comprehensive data on Medicare beneficiaries enrolled or entitled to Medicare during a given calendar year and includes both traditional Medicare and Medicare Advantage enrollees. The MBSF data analyzed for this study was last updated on October 8, 2024.



## Methods Summary – Population

The analyzed population cohort consisted of individuals dually enrolled in Medicare and full Medicaid as of March 2023. We excluded partial dual eligibles, i.e., beneficiaries only enrolled in Medicare Savings Programs. Dual enrollment status was determined using the **DUAL\_STUS\_CD\_X** variable from the MBSF, which indicates a beneficiary's eligibility for both Medicare and Medicaid on a month-by-month basis, with values of X ranging from 1 to 12 corresponding to the months of the year.

The following values for this variable were used to classify beneficiaries as fully dual eligible:

- **02:** Qualified Medicare Beneficiary (QMB) with full Medicaid coverage, including prescription drugs.
- **04:** Specified Low-Income Medicare Beneficiary (SLMB) with full Medicaid coverage, including prescription drugs.
- **08:** Other dual eligible (not QMB, SLMB, QWDI, or QI) with full Medicaid coverage, including prescription drugs.

Beneficiaries with values not included in this list were classified as partial dual eligibles and excluded from the cohort.

Beneficiaries who died during the study period, approximately 7.7%, were identified and the impact of mortality rates at the national and state levels were taken into account in our analyses.

## Methods Summary – Population and Measures

Those who were dual eligible, but below the age of 19, were excluded. This exclusion was done due to data suppression. In addition, individuals who we were unable to identify their sex were excluded. In total, 977 beneficiaries were excluded due to inability to identify their sex or their age being below 19.

Individuals with incomplete state level information (unknown state of residence in March 2023) were also excluded from this analysis as all data is presented at the state level. We excluded 8,364 beneficiaries from the analysis due to unknown state.

Coverage loss was defined as those who were eligible the previous month and not the next month. Reported coverage loss excludes those who lost coverage due to death.

Churn was defined as those who were enrolled in March 2023, lost coverage during the study period (April 2023-June 2024) and were re-enrolled as of June 2024.

## Study Limitations

The study is limited to full dual eligibles and doesn't look at impacts on partial dual eligibles who may also have experienced Medicaid enrollment changes during the unwinding process.

The study is limited to those who were dually-eligible in March 2023. If someone lost dual status that month for some reason, they would not be included in study findings. If someone gained dual status during the unwinding period, they also would not be included.

This study is limited to the initial 18 months of impacts of unwinding on dually-enrolled individuals. This study includes available data through June 2024, while more recent data was available, it was excluded from the study due to data quality issues. However, unwinding is extending beyond its original end date and into 2025 in many states, so these results do not represent final outcomes for dual eligibles during the unwinding process.

In this study, anytime an individual goes from full dual status to non-full-dual status it is counted as an instance of coverage loss. This means there is potential for double counting if an individual was to churn twice within the study period.

The study is limited to full dual eligibles and doesn't look at impacts on partial dual eligibles who may also have experienced Medicaid enrollment changes during the unwinding process.