

Spotlight: CMS Issues Final Rule Streamlining Enrollment and Renewal Processes in Medicaid and CHIP

On September 18, the Centers for Medicare & Medicaid Services (CMS) issued a [final rule](#) to streamline enrollment in the Medicare Savings Programs (MSPs), helping to increase participation in the MSPs by more than an estimated 860,000 people. The “Streamlining Medicaid; Medicare Savings Programs Eligibility Determination and Enrollment” final rule (CMS-2421-F), finalizes the MSP-related provisions from the CMS [notice of proposed rulemaking](#), published on September 7, 2022, which included several proposed eligibility, enrollment and renewals changes for Medicaid and CHIP.

The MSPs, run by state Medicaid agencies, cover Medicare premiums and, in most cases, cost-sharing for more than 10 million older adults and people with disabilities who also have limited incomes. The MSPs are essential to the health and well-being of those enrolled, promoting access to health care and helping to free up an individuals’ limited income for food, housing, and other life necessities. However, [only about half](#) of eligible people are enrolled in the MSPs, in part due to cumbersome application and verification processes. The final rule will make it easier for millions of eligible people to enroll in and retain their MSP coverage.

For example, all Supplemental Security Income (SSI) recipients entitled to Medicare are financially eligible for the most comprehensive form of MSP coverage: the Qualified Medicare Beneficiary (QMB) eligibility group, which covers Medicare premiums and cost sharing MSPs. Yet, an estimated 500,000 are not enrolled because many states require separate applications for QMB. The new final rule, with a few exceptions, eliminates the extra application to become a QMB and *automatically* enrolls these SSI recipients as QMBs, allowing them to gain important Medicare premium and cost-sharing assistance.

In addition, the MSPs and the Medicare Part D Low-Income Subsidy (LIS) program have similar income and resource eligibility criteria, but many people enrolled in the LIS program are not enrolled in an MSP, despite likely being eligible. In this final rule, we streamline the enrollment process from LIS to the MSPs by requiring states to use LIS information from the Social Security Administration both as an application for the MSPs and when making an MSP eligibility determination.

The current online version of the final rule is a double-spaced unpublished PDF. The page numbers shown below are from that version. The final rule was published in the September 21 [Federal Register](#).

Major provisions of the final rule that may be of interest to state Medicaid agencies include those that simplify processes for eligible individuals to enroll and retain eligibility in the MSPs by:

- Automatically enrolling certain SSI beneficiaries into the QMB group (pages 65248-65254);
 - Better leveraging the LIS program to enroll eligible individuals in the MSPs, including maximizing use of LIS “leads” data (pages 65231-65247) and defining “family of the size involved” for MSP groups to be no less than the definition of “family size” in the LIS program (pages 65247-65248);
 - Reducing the burden on MSP applicants to produce certain types of documentation prior to enrollment (pages 65259-65260); and
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- Ensuring the earliest possible effective date of QMB coverage for individuals who must pay a premium to enroll in Part A and reside in certain states (pages 65254-65255).

While CMS finalized most provisions in the rule as proposed, it extended the time periods for states to come into full compliance with various requirements in this final rule. The compliance dates will allow states time to implement necessary systems and operational changes to comply with the final rule's requirements as well as the opportunity to focus on issues related to Medicaid unwinding and complying with the Consolidated Appropriations Act, 2023.

In 2024, CMS plans to issue another final rule addressing the remaining provisions and public comments from the September 7, 2022 proposed rule.

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