



**Data Shows
Fewer People Facing
Barriers to Care as
Insurance Coverage
Reaches Historic
Highs — Congress
Must Act to
Protect Millions of
Americans From
Losing Coverage**

Over the past three years, policy changes in Medicaid and expanded subsidies in the health insurance marketplace have led to dramatic expansions in health coverage and the lowest ever uninsured rate. Roughly 9.3 million people who were not previously covered obtained coverage during this period.¹ More than 89 million people are now enrolled in Medicaid or the Children’s Health Insurance Program (CHIP), and an estimated 14.5 million people are enrolled in marketplace coverage.^{2,3}

The United States generally has poor access to health care, largely because it is so expensive. While this is a problem for both insured and uninsured people, surveys show health care affordability is much worse for people without health insurance coverage.⁴ Families USA examined the impact of the coverage gains of 2020-2022 on health care financial access. To understand the possible effects of these coverage expansions, Families USA looked at data from a survey that asked participants the extent to which health care and medicines were accessible.* The Centers for Disease Control and Prevention (CDC) data shows fewer people reporting financial barriers to accessing care than ever before. Specifically, the proportion of people reporting that they delayed seeking medical care or were not taking medications as prescribed because of cost declined significantly between 2019 and 2021. Additionally, the racial disparities among those delaying needed care due to cost also declined dramatically.

However, these gains are at risk. When the COVID-19 public health emergency ends, states will resume the process of redetermining Medicaid enrollees' eligibility. As states take on the monumental task of resuming processes to make sure everyone currently receiving Medicaid is eligible, millions of qualified enrollees, including millions of children, could lose coverage due to administrative errors and other paperwork barriers.

Congress must ensure that redetermination processes are clear and consistent for families to demonstrate their continued eligibility and create a smooth pathway to help those no longer eligible for Medicaid transition to a new source of coverage. If Congress fails to do so, millions of low-income Americans, including 6.7 million children, could lose coverage and be unable to afford needed medical care and prescriptions.

To ensure millions of Americans keep their health insurance, Congress must:

- » Clarify states are required to have a minimum proportion of renewals be passive, also called “ex parte.”
- » Authorize the Centers for Medicare & Medicaid Services (CMS) to suspend state disenrollments if a state is not meeting the required proportion of ex parte renewals.
- » Prevent states from initiating redeterminations for more than one-twelfth of individuals enrolled in any one month from April 1, 2023, to September 30, 2023.

*This survey asks relatively narrowly about access problems and therefore shows results for financial barriers to health care on the low end of surveys of this type — [other surveys with broader questions show](#) about 4 in 10 Americans saying they delayed or went without medical care in the last year due to cost.

Background

At the onset of the COVID-19 pandemic, Congress passed the Families First Coronavirus Response Act, which provided a 6.2 percentage point increase in the federal matching rate for state Medicaid programs along with a maintenance of effort requirement to ensure continuous coverage for current Medicaid enrollees. Because states were restricted from disenrolling Medicaid enrollees during the public health emergency, since 2020, Medicaid enrollment (including CHIP) has grown to its highest level to date, covering almost 90 million people. According to CMS, approximately 16.2 million individuals gained Medicaid or CHIP coverage throughout the pandemic — a 23.0% increase over the program’s pre-pandemic enrollment.⁵

Research suggests that the primary driver of this growth in coverage was increased retention of existing enrollees in Medicaid rather than new applications.⁶ This real-time experiment confirms that pandemic-era policies, such as continuous Medicaid enrollment, are an important cause of this increase in coverage.⁷

At the end of the public health emergency, states will resume redetermining people’s eligibility for Medicaid and disenrolling them if they are no longer eligible. A report by the U.S. Department of Health and Human Services estimates that 15 million people will lose coverage —almost half of which (6.8 million) will lose coverage not because they are ineligible but because of administrative barriers or difficulties with the re-enrollment process.⁸ The same report finds that those losing coverage due to these administrative barriers will disproportionately be children, young adults, low-income individuals, people of color or women.

It is vital that Congress ask CMS to establish guardrails that hold states accountable to reach all currently eligible enrollees to confirm their coverage status and to transition the approximately 8.2 million people no longer eligible for Medicaid to other types of coverage. No one should lose coverage unnecessarily.

Coverage rates were further boosted by the availability of enhanced subsidies for people buying coverage through the marketplace — subsidies that were included in the American Rescue Plan Act and the Inflation Reduction Act. The enhanced subsidies both increased the subsidy amount for those already eligible and expanded the availability of subsidies to people who previously earned too much to be eligible. These enhancements eliminated the subsidy cliff that cut people off from being eligible at 400% of the federal poverty level and capped premium costs at 8.5% of income. As a result, roughly 14.5 million people enrolled in marketplace coverage, an increase of almost 3.1 million people since 2019 — the highest number ever recorded.⁹ The enhanced subsidies expire in 2025. It’s

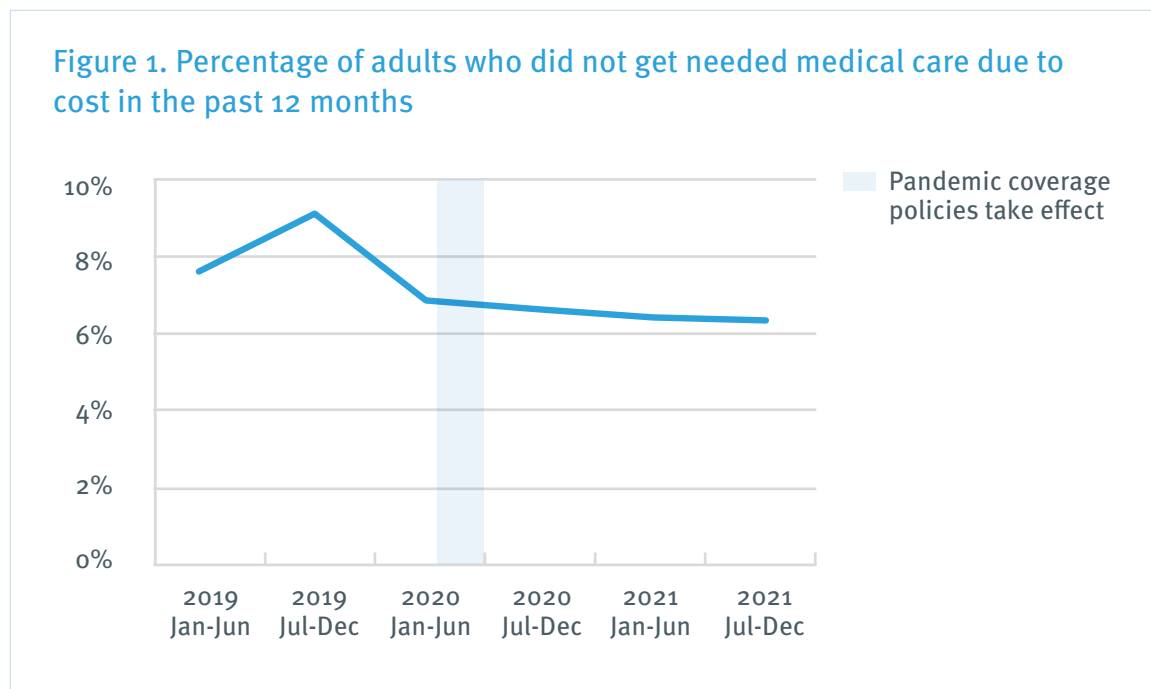
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important to note, however, that subsidies make coverage more accessible, but they do nothing to lower the overall cost of care. Further congressional action is crucial to better controlling health care costs in the U.S.

Data

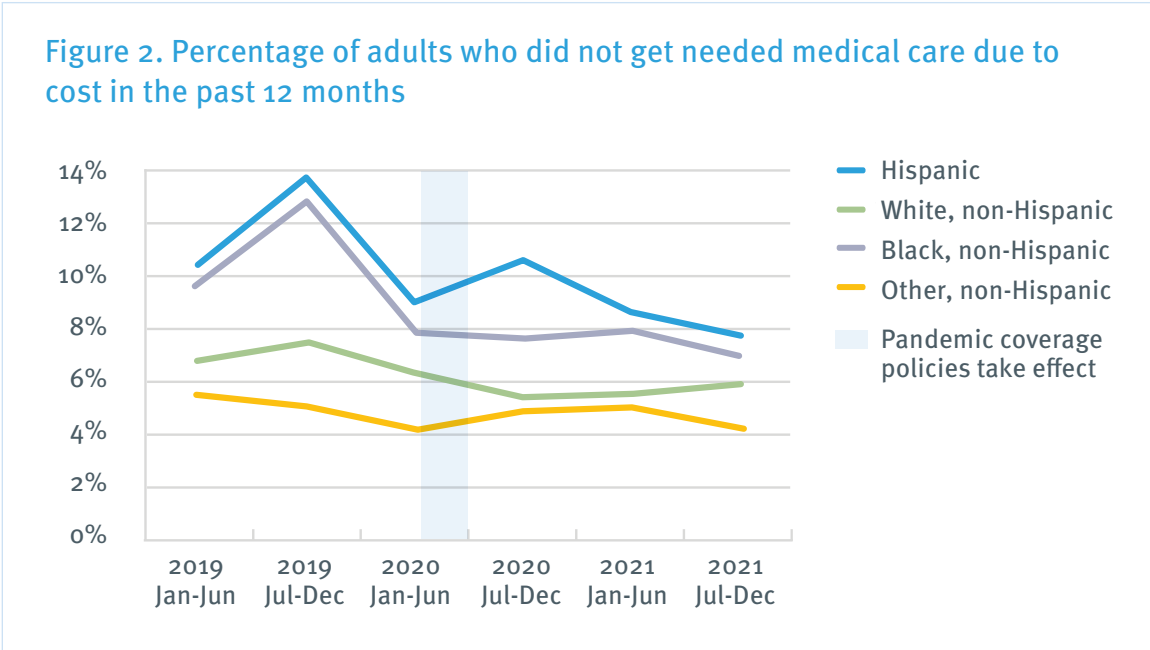
To evaluate the potential impacts of the lowest ever uninsured rate, we looked at CDC survey data to see if there were changes in people’s ability to access the care that they need. In reviewing this data, we found significantly fewer people are delaying care or filling prescriptions due to cost. The historic gains in coverage meant that more people could afford the care and medicines they needed.

According to the CDC’s National Health Interview survey, between 2019 and 2021, there was a significant decrease in the proportion of individuals not getting needed medical care due to costs.¹⁰ The rate declined to its lowest level in at least 25 years, with 6.3% of people aged 18 and above reporting that they delayed needed care because of costs, see Figure 1.



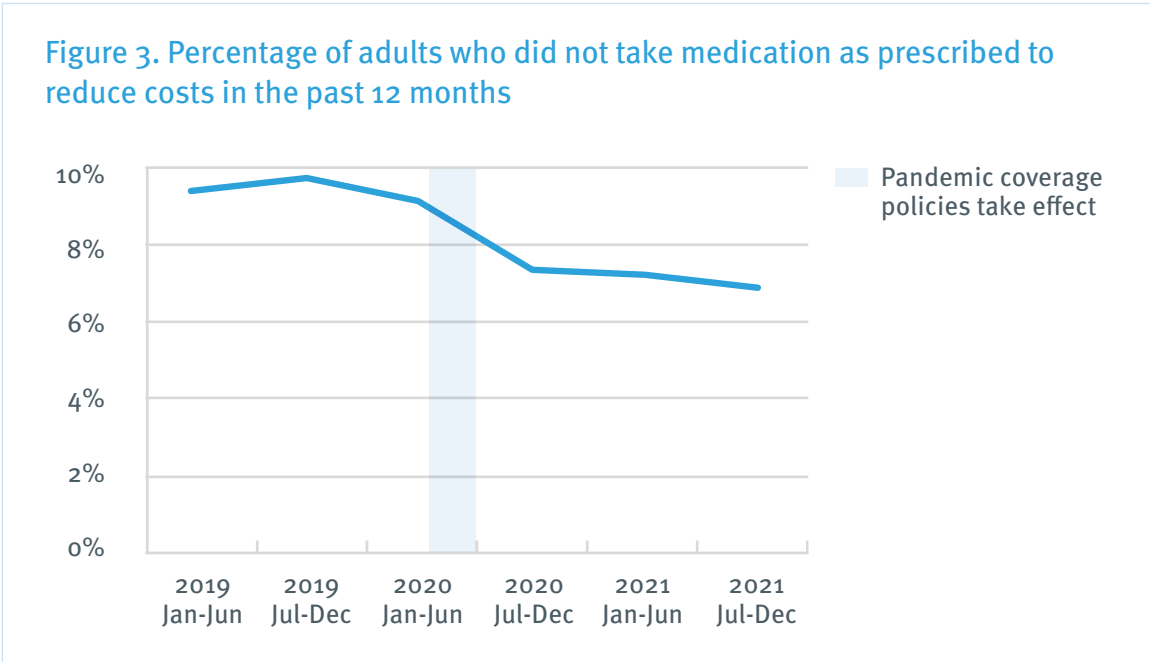
Source: National Health Interview Survey, Centers for Disease Control and Prevention, 2022.

Racial disparities among those delaying needed care due to cost also declined. In mid- to late 2019, prior to the coverage improvements related to COVID-19, 13.6% of Hispanic people reported delaying care because of costs while only 7.6% of non-Hispanic white respondents reported the same. In late 2021, 7.8% of the Hispanic people who were surveyed reported delaying care because of costs while 6% of non-Hispanic white people reported the same, see Figure 2.



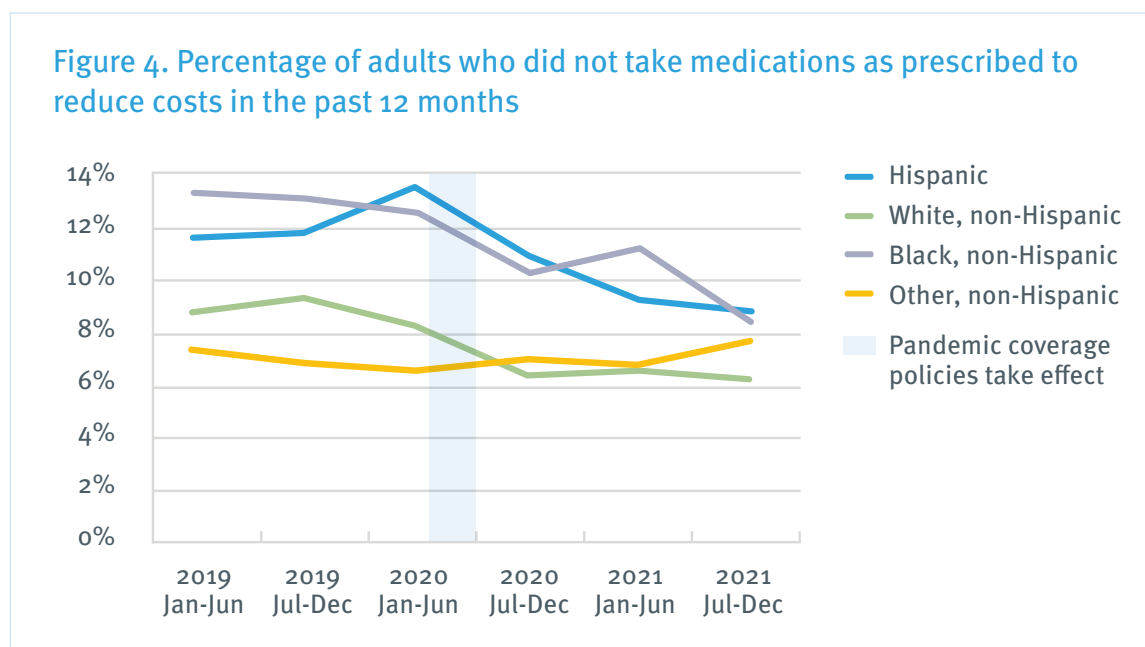
Source: National Health Interview Survey, Centers for Disease Control and Prevention, 2022.

In mid- to late 2019, 9.8% of people surveyed said that they were not taking medications as prescribed to reduce costs, but after the pandemic-related insurance coverage improvements, that rate declined by roughly 3 percentage points, see Figure 3.



Source: National Health Interview Survey, Centers for Disease Control and Prevention, 2022.

Racial disparities among those not taking a medication as prescribed due to cost also declined. In mid- to late 2019, prior to the coverage improvements related to COVID-19, 13.0% of Black people reported not taking medications as prescribed for cost reasons while 9.2% of non-Hispanic white people did the same. In late 2021, 8.4% of surveyed Black people reported delaying care because of costs while 6.2% of non-Hispanic white people reported the same, see Figure 4.



Source: National Health Interview Survey, Centers for Disease Control and Prevention, 2022.

Congress should protect coverage

The data shows the tangible benefits that increases in health coverage can make in people's everyday lives. Being able to afford and use the health care system improves health outcomes and labor force participation.¹¹ It is critical that these historic coverage gains are preserved. Congress has a critical role to play in pushing CMS to require that states do not erroneously disenroll people when the public health emergency expires. Equally important, Congress should push CMS to ensure there is a seamless pathway to other coverage options on health insurance marketplaces or through people's employers for those who are determined to be no longer eligible for Medicaid.

Now is the time for Congress to lock in pandemic-era gains by taking steps to improve the Medicaid redetermination process. If states can operate the way they did before the pandemic, an estimated 6.8 million will become uninsured unnecessarily, with a disproportionate impact on children, young adults, low-income people and people of color.

Congress must prevent millions of people from erroneously losing health coverage they are eligible for. It is vital for Congress to protect the coverage gains made during the public health emergency.

Endnotes

¹ Families USA review of the National Health Interview Survey’s Health Insurance Coverage Reports, Centers for Disease Control and Prevention, 2022, <https://www.cdc.gov/nchs/nhis/healthinsurancecoverage.htm>. Numbers of people who lacked health insurance coverage were compared between the second half of 2019 and the first quarter of 2022.

² “July 2022 Medicaid & CHIP Enrollment Data Highlights,” Medicaid.gov, Centers for Medicare & Medicaid Services, accessed November 11, 2022, <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html>.

³ “Marketplace Enrollment, 2014-2022” Kaiser Family Foundation, October 17, 2022, <https://www.kff.org/health-reform/state-indicator/marketplace-enrollment/>

⁴ Jennifer Tolbert, Kendal Orgera, and Anthony Damico, “Key Facts about the Uninsured Population,” Nov 06, 2020. <https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/>.

⁵ “December 2021 and January 2022 Medicaid and CHIP Enrollment Trends Snapshot,” Center for Medicaid and CHIP Services, Centers for Medicare & Medicaid Services, n.d., <https://www.medicaid.gov/medicaid/national-medicaid-chip-program-information/downloads/dec-2021-jan-2022-medicaid-chip-enrollment-trend-snapshot.pdf>.

⁶ Peggah Khorrami and Benjamin D. Sommers, “Changes in US Medicaid Enrollment During the COVID-19 Pandemic,” *JAMA Network Open* 4, no. 5 (2021): e219463, <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2779458>; “New Medicaid and CHIP Enrollment Snapshot Shows Almost 10 Million Americans Enrolled in Coverage During the COVID-19 Public Health Emergency,” CMS.gov, Centers for Medicare & Medicaid Services, press release, June 21, 2021, <https://www.cms.gov/newsroom/press-releases/new-medicaid-and-chip-enrollment-snapshot-shows-almost-10-million-americans-enrolled-coverage-during>.

⁷ As a result of the declaration of a public health emergency and federal legislation (Families First Coronavirus Response Act), Medicaid programs across the country paused all eligibility renewal and redetermination requirements, even for populations whose eligibility was previously provided on a temporary basis, including pregnant individuals and infants.

⁸ *Unwinding the Medicaid Continuous Enrollment Provision: Projected Enrollment Effects and Policy Approaches, Issue Brief HP-2022-20* (Washington, DC: Assistant Secretary for Planning and Evaluation, Office of Health Policy, U.S. Department of Health and Human Services, August 19, 2022), https://aspe.hhs.gov/sites/default/files/documents/404a7572048090ec1259d216f3fd617e/aspe-end-mcaid-continuous-coverage_IB.pdf.

⁹ “Marketplace Enrollment, 2014-2022” Kaiser Family Foundation, October 17, 2022, <https://www.kff.org/health-reform/state-indicator/marketplace-enrollment/>

¹⁰ “Interactive Summary Health Statistics for Adults — 2019-2021,” National Center for Health Statistics, Centers for Disease Control and Prevention, accessed November 17, 2022, https://www.cdc.gov/NHISDataQueryTool/SHS_adult/index.html.

¹¹ Kevin Callison and Paul Sicilian, “Economic Freedom and the Affordable Care Act: Medicaid Expansions and Labor Mobility by Race and Ethnicity,” *Public Finance Review* 46, no. 2 (March 2018): 301–324, <https://doi.org/10.1177/1091142116668254>.

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