



Health Coverage Options for Individuals Who Lose Medicaid During the Public Health Emergency Unwinding

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During the COVID-19 Public Health Emergency (PHE), laws were enacted that allowed people to keep their Medicaid coverage even if they had changes to their eligibility, such as income or family size. This “continuous coverage” requirement ended on March 31, 2023, and as of April 1, 2023, state agencies are restarting eligibility reviews of Medicaid beneficiaries during the [“unwinding”](#) of continuous coverage. This means that some beneficiaries may no longer meet eligibility requirements and could lose their Medicaid coverage. **For individuals who lose Medicaid during the unwinding, there are health coverage options to stay covered.**

1. Transition to Marketplace Coverage

Individuals who no longer qualify for Medicaid may be able to transition to low-cost health coverage through the Marketplace.

Individuals in States Using HealthCare.gov. If an individual loses Medicaid between March 31, 2023 and July 31, 2024, and they live in a state that uses HealthCare.gov, they can apply for Marketplace coverage through [HealthCare.gov](#) at any time, without waiting for the regular open enrollment period. After submitting a Marketplace application, individuals will have 60 days to choose a plan, if determined eligible. Individuals must attest to losing Medicaid within the above time period on their application to take advantage of this Unwinding Special Enrollment Period (SEP). Marketplace plan coverage will begin the first day of the month after an individual selects a plan. Many people transitioning from Medicaid will likely qualify for tax credits that lower the costs of premiums based on household income and size.

Individuals who know that their Medicaid will end soon because they received a notice from their state agency can also apply for Marketplace coverage up to 60 days before their Medicaid coverage ends. For more information on HealthCare.gov’s Unwinding SEP, see [CMS CCIIO’s FAQs](#). For further support with transitioning to Marketplace coverage, search for assisters at [LocalHelp.HealthCare.gov](#).

Note that Medicaid state agencies should transfer individuals' accounts to the Marketplace to assess eligibility for Marketplace coverage, but because these account transfers are often incomplete, individuals will still need to apply through HealthCare.gov.

Individuals in States with State-Based Marketplaces (SBMs). Individuals can [check their state's Marketplace](#) to find out if it offers a similar SEP. They also should have access to navigators and should contact their SBM to find out how to get in-person assistance.

2. Transition to Employer-Sponsored Insurance (ESI)

Individuals who no longer qualify for Medicaid may be able to transition to a health plan offered by their employer. Employers are required to provide SEPs in their group health plans for current employees and dependents who lose Medicaid, outside of open enrollment. Employees typically must request coverage under the ESI plan within 60 days after termination of Medicaid coverage. However, individuals who lose Medicaid coverage between March 31, 2023 and July 10, 2023 have some more time and can request special enrollment in the ESI plan until September 8, 2023.

Employers can also choose to offer longer SEPs for their employees beyond the minimum 60-day statutory requirement, and employers are strongly encouraged to work with their group health plans to do so. For more information on employers' responsibilities and recommendations during the unwinding, see [HHS's FAQs, particularly pages 12-15](#).

Additionally, employers are encouraged to take further steps to support their employees in maintaining continuity of health coverage. Recommendations for employers include:

- Ensuring that human resources and benefits staff are aware of the resumption of Medicaid eligibility redeterminations in the unwinding.
- Encouraging employees enrolled in Medicaid coverage to update their contact information with their state agency and respond promptly to any received communications.
- Working with their group health plans to offer a special enrollment opportunity that matches the Unwinding SEP offered in the Marketplace.

More resources for employers to support transitions to ESI during the unwinding include CMS fact sheets for employers ([English](#), [Spanish](#)), [DOL's flyer for employers](#), [DOL's blog post for employers](#), and [DOL's blog post for employees](#).

3. Transition to Medicare

Individuals who no longer qualify for Medicaid may be able to transition to Medicare coverage if they qualify based on age or disability. Those who qualify for Medicare, but did not sign up for it when they first became eligible, can sign up for Medicare Part A (Hospital Insurance), Medicare Part B (Medical Insurance), or both without paying a late enrollment penalty or waiting for the usual Medicare enrollment period. Individuals have 6 months after their Medicaid coverage is terminated to sign up for Medicare. This is called the [Medicaid SEP into Medicare](#). Sign up by filling out a [CMS-10797 form](#) and sending the completed form to a local Social Security Office by fax or mail.

For individuals who already had Medicare and Medicaid (*i.e.*, “dual-eligibles”), and lose their eligibility for Medicaid, they can choose to:

- Join a Medicare Advantage Plan (Part C) with drug coverage or a Medicare drug plan (Part D), if they do not already have one.
- Change their current Medicare Advantage Plan or Medicare drug plan.
- Join a plan or make coverage changes for 3 months from the date their Medicaid coverage ends.

For more information on transitioning to Medicare, see [CMS's fact sheet](#). Learn more about Medicare coverage by visiting [Medicare.gov](#). Contact local State Health Insurance Assistance Programs for counseling and assistance in navigating Medicare at [SHIPHelp.org](#).

4. Transition to Separate CHIP Program

Individuals who no longer qualify for Medicaid may be able to transition to the Children’s Health Insurance Program (CHIP). Built on the shoulders of Medicaid, CHIP provides coverage to children and pregnant people whose income is too high for Medicaid based on income limits set by the state. Some states operate CHIP as part of their Medicaid program and thus a Medicaid redetermination during the unwinding would automatically check if the individual remains eligible under the state’s CHIP income limits. In states that operate separate CHIP programs, an individual who loses Medicaid during the unwinding should have their account transferred to CHIP to assess eligibility for that program. For more details on best practices for transitioning individuals between Medicaid and CHIP in states with separate CHIP programs, see [CMS's slide deck](#).

Individuals who lose their Medicaid in states with separate CHIP programs can apply through their state’s CHIP program at any time to see if they qualify for coverage.

5. Appeal Medicaid Coverage Termination

Individuals who believe that their state agency wrongly stopped their Medicaid coverage have the right to appeal. States must check if a beneficiary is eligible for any other Medicaid eligibility categories and provide written notice at least 10 days before stopping Medicaid coverage. If an individual disagrees with the state agency's decision about their Medicaid coverage, they have the right to ask for a Medicaid fair hearing. It is important to ask for a fair hearing as quickly as possible before the deadline in the notice. Medicaid beneficiaries also have the right to keep their coverage and continue to receive benefits while their hearing is being reviewed if they request it within the 10-day notice window before their Medicaid coverage ends or changes. For more information on Medicaid fair hearings during the unwinding, see [CMS's State Health Official Letter #22-001, particularly pages 21-23](#).

Note that individuals whose Medicaid income eligibility is based on their modified adjusted gross income (MAGI) must be provided a reconsideration period under certain circumstances and may not need to appeal. If MAGI individuals are terminated for failure to submit requested information and then subsequently submit the information within 90 days after the date their coverage is terminated, their state agency must reconsider their eligibility without requiring submission of a new application.

Individuals may benefit from legal representation during an appeal. Individuals with low income may be eligible for free legal assistance through [local legal aid organizations](#).

Conclusion

During the PHE unwinding, HHS [estimates](#) that up to 15 million individuals will lose their health coverage, including 8.2 million that will lose coverage due to loss of eligibility and 6.8 million that will lose coverage due to procedural reasons despite still being eligible. With the large magnitude of individuals expected to be impacted, advocates have an essential role to play to support Medicaid beneficiaries in avoiding interruptions in their health coverage. For more information and resources on issues for advocates to monitor during the unwinding, see NHeLP's ["Medicaid Continuous Coverage Unwinding"](#) landing page.

Find more information on renewing Medicaid coverage and Medicaid state agencies' contact information at [Medicaid.gov/Renewals](https://www.Medicaid.gov/Renewals).