

FISCAL SNAPSHOT

Medicaid Caseloads

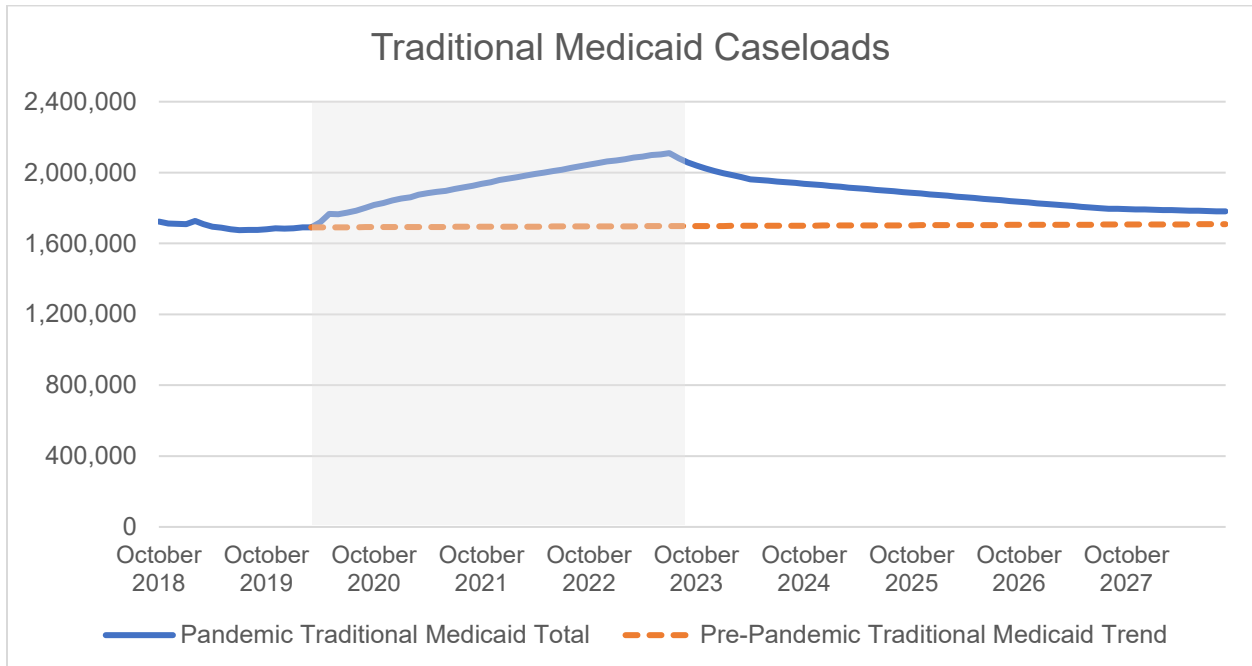
Date: November 1, 2023

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Background. Prior to the passage of the federal Consolidated Appropriations Act of 2023, the federal Family First Coronavirus Response Act of 2020 permitted states to receive an enhanced 6.2 percentage point increase in federal Medicaid reimbursement percentage (FMAP) if the state agreed to not close Medicaid cases, with very limited exceptions, until the federal public health emergency declaration expires. The federal Consolidated Appropriations Act of 2023 decouples Medicaid cases and FMAP from the federal public health emergency and instead phases out the enhanced FMAP to 5.0 percentage points on April 1, 2023, 2.5 percentage points on July 1, 2023, 1.5 percentage points on October 1, 2023, and ends the enhanced FMAP on January 1, 2024. Similarly, the Act restarts annual Medicaid case eligibility redeterminations on April 1, 2023.

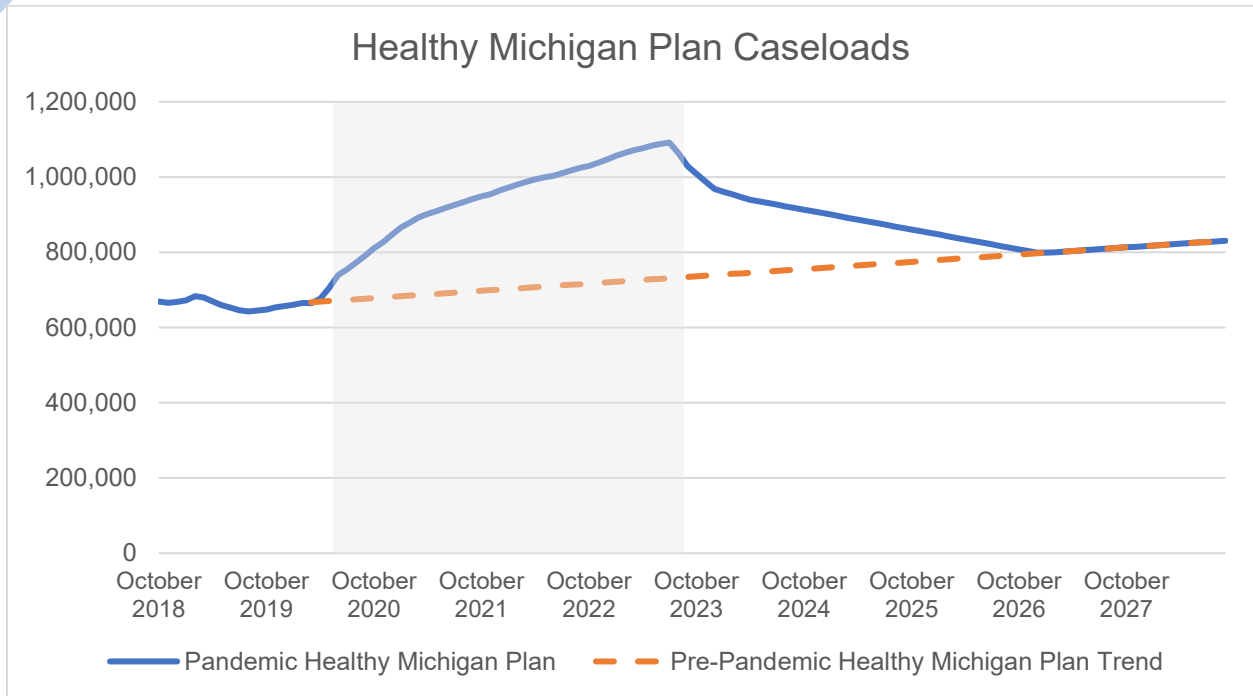
Previous Activity. As highlighted in gray in the figures that follow, since the federal public health emergency declaration, its associated prohibition on closing Medicaid cases, traditional Medicaid and the Healthy Michigan Plan (HMP) reached peak pandemic caseloads of 2,109,800 and 1,091,700, respectively, in July of 2023. The peak caseload increase comprised approximately 418,400 (or 25%) for traditional Medicaid and approximately 427,200 (or 64%) for HMP, since the beginning of the public health emergency.

Current Activity. In April, 2023, the Michigan Department of Health and Human Services (DHHS) began the process of redetermining Medicaid cases, with the first of the redeterminations occurring in June of 2023 (more information on their redetermination process can be found [here](#)). In the first 2 full months of caseload redeterminations (August and September), caseloads have declined by approximately 52,700 (or 3%) for traditional Medicaid, and 63,000 (or 6%) for HMP. HFA anticipates, as shown in the figures below, a continuing, but tapering, caseload decline as Medicaid cases that would have been closed under normal circumstances are processed, followed by a more gradual decline back to pre-pandemic caseload trends. Additionally, the remainder of the enhanced FMAP withdrawal has been separated from the redetermination process, meaning that states continue to receive the extra funds regardless of the status of redetermination progress.



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Funding Authorization. The state has appropriated funds to assist DHHS with the Medicaid redetermination process. For FY 2021-22, DHHS was appropriated \$20.9 million Gross (\$9.2 million GF/GP), with \$4.0 million having been expended and the remaining \$16.9 million carried-forward as a work project. Similarly, for FY 2022-23, DHHS was appropriated \$10.0 million Gross (\$5.0 million GF/GP), with \$2.6 million having been expended and the remaining \$7.4 million carried-forward as an additional work project. As of October 2023, work project funds available to DHHS to continue the redetermination process totals \$24.2 million.