

Illinois Continuity of Care 1115 Waiver
Quarterly Monitoring Report & Quarterly Budget Neutrality Report
DY3Q3

The unwinding of the COVID-19 Public Health Emergency (PHE) has impacted the provisions in the Continuity of Care 1115 Waiver. This quarter's monitoring and budget neutrality report describes the implications of the PHE unwinding on each of the three waiver components.

Additionally, on January 25, 2022, CMS approved alternate reporting metrics for use during the public health emergency. The approved metrics are noted below.

Extending Postpartum Coverage to 12 Months:

- *The state transitioned its 12-month postpartum extension from 1115 waiver to SPA authority effective 7/1/22.*

Managed Care Reinstatement when a Medicaid Beneficiary Submits Late Paperwork within 90 Days:

- *Narrative:* In its waiver application, HFS proposed to report on the number of reinstatements into MCOs as well as MCO enrollees meeting the HEDIS 12-month continuous enrollment standard. However, the COVID-19 PHE unwinding has impacted these metrics significantly.

Previously, the average number of monthly reinstatements reported was affected by the COVID-19 PHE, which prevented HFS from taking adverse action on late redetermination paperwork. As a result, Medicaid enrollees generally continued to be enrolled due to the PHE Maintenance of Effort (MOE) and continuous eligibility requirements.

In Illinois, the Medicaid continuous enrollment condition ended March 31, 2023. Redeterminations began on April 1, 2023 and the first redetermination cohort was mailed redetermination letters on May 1, 2023. In June 2023, HFS implemented the redetermination 30-day grace period, a PHE unwinding flexibility.

As a result, those who would have procedurally lost coverage at the end of June for not returning redetermination paperwork had their coverage extended until the end of July 2023, with cancellation effective August 1. Their 90-day reconsideration period was August, September, and October 2023. The 61 - 90 day reconsideration period, which is the period applicable to 1115 waiver reporting, was October 2023. As a result, the first reinstatement window did not occur until after this quarterly reporting period.

- *Approved PHE Metric:* To estimate the potential impact of the 90-day reinstatement period into the same MCO, the state will calculate the average number of monthly reinstatements that happened between 61 and 90 days after cancellation in months prior to the PHE.
 - The average number of monthly reinstatements that happened between 61 and 90 days after cancellation in months prior to the PHE was 1,149.
- *Budget Neutrality:* N/A

Waiver of Hospital Presumptive Eligibility (HPE):

- *Narrative:* In its waiver application, HFS proposed to report on Medicaid approval and denial rates, as well as application processing backlog and turnaround time. The state reported an alternate HPE waiver metric during the PHE. This is the first reporting period where the state is reporting the metrics in its original proposal.

However, it should be noted that the COVID-19 PHE unwinding has significantly impacted application processing at HFS. For example, the increase in processing larger redetermination cohorts, along with the normal flow of new applications, has resulted in a backlog of applications. Adding the potential number of HPE applications the state would have received would have further increased the already substantial backlog. Therefore, waiving HPE has been beneficial for the state, as it prevented the application backlog being even higher.

Additionally, waiving HPE has allowed the state to focus on processing full benefit applications, which has prevented the duplication of application processes, reduced administrative burden, and improved the timeliness of Medicaid eligibility determinations and denials. By waiving HPE, the state has lower eligibility processing backlogs, allowing Medicaid applicants to gain access to health coverage sooner.

- *Reporting Metrics:*

Medicaid Approval and Denial Rates:

	Medicaid Approvals	Medicaid Denials
23-Jul	26,692	30,097
23-Aug	25,189	28,182
23-Sep	21,434	25,488
Total	73,315	83,767
Total Application received (Approvals & Denials)	157,082	157,082
Rate	47%	53%

Application Backlog and Turnaround Time:

Application Processing by Month	Jul-23	Aug-23	Sep-23
Apps On Hand (end of month)	32,368	43,768	49,900
<i>0-7 days</i>	6,758	7,700	7,617
<i>8-20 days</i>	7,478	9,714	10,770
<i>21-30 days</i>	3,233	6,126	3,982
<i>31-45 days</i>	3,751	4,999	6,878
<i>46-90 days</i>	4,656	7,282	10,343
<i>91-180 days</i>	2,813	4,197	6,058
<i>181+ days</i>	3,679	3,750	4,252
Apps On Hand over 45 days (end of month)	11,148	15,229	20,653

- *Budget Neutrality: N/A*