The Enrollment Coalition

Dear Trump Administration appointees and staff,

On behalf of the Enrollment Coalition, we write to provide our recommendations on steps the Trump Administration can take to support the health of Americans by supporting the enrollment of currently eligible individuals into existing forms of health coverage.

About the Enrollment Coalition

The Enrollment Coalition is a group of organizations across the health care community, including consumer advocates, patient advocates, health plans, health care providers, employers, and technology and data organizations. Our mission is to collaboratively identify, develop, and advance actionable policy recommendations for federal policymakers aimed at improving enrollment data, systems, and processes to foster the enrollment of uninsured Americans under age 65 into existing health coverage plans and programs for which they are already eligible.


Summary of Recommendations

(1) Support states in using existing data sources to promote efficiency and accuracy in enrollment.

(2) Support technology updates to improve transitions of coverage.

(3) Promote choice and competition among health care plans and prevent premium increases that drive up prices and destabilize private insurance markets.

(4) Support state flexibility while promoting program integrity, efficient use of data, and operational excellence.

(5) Conduct oversight of agents and brokers to prevent waste, fraud, and abuse in health coverage programs.

Background

People who are not enrolled in health insurance have less access to primary are and are less likely to have a regular source of care, which in turn impacts their likelihood of early detection and effective management of chronic illness. Additionally, uninsurance can have significant economic impacts on individuals, businesses, and the health care system as a whole as "workers who are uninsured throughout the course of a year have a greater likelihood of missing work."[1] Despite these challenges stemming from a lack of insurance, millions of Americans remain uninsured.

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[1] https://www.kff.org/wp-content/uploads/sites/2/2010/06/reformhealthcare_ib1.pdf

The Congressional Budget Office (CBO) estimated there were 24.3 million uninsured individuals in 2023, **and that number will increase to 32.4 million uninsured individuals in 2034.**[1] CBO attributes much of the increase in the number of uninsured individuals over the next decade to the end of Medicaid's continuous eligibility provisions and the expiration of enhanced marketplace subsidies after 2025.[2]

Uninsured Individuals Expected to Increase in Next Decade

Sources: CBO 1, 2
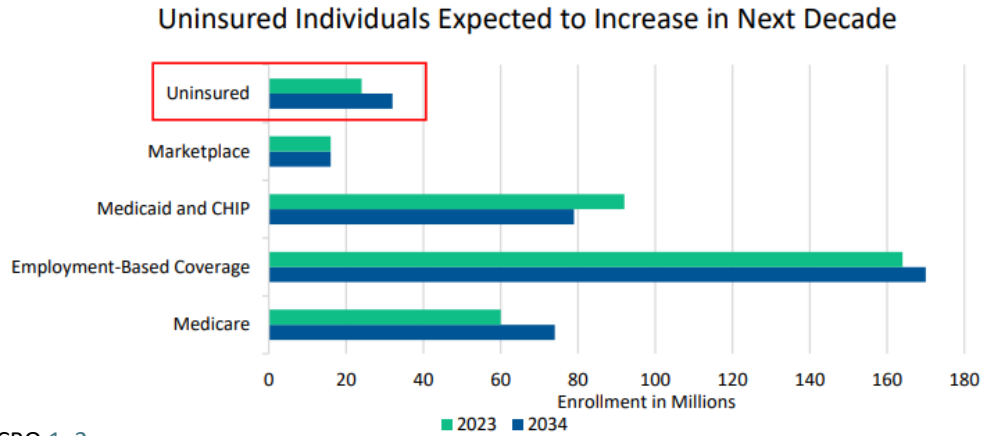
The majority of these uninsured individuals are eligible for, but not enrolled in a current health care plan or program. According to the Congressional Budget Office and Joint Committee on Taxation's enrollment projections, "among the 25.1 million people uninsured in 2022, 15.3 million are eligible for subsidized coverage."[2]

Nearly 60 percent of uninsured individuals are eligible for programs like Medicaid, or financial assistance through Premium Tax Credits (PTCs), but experience gaps in coverage due to lack of knowledge regarding administrative requirements or the necessity of renewals. In 2022, 22.2 percent of uninsured adults said signing up for health coverage was too difficult.[3]
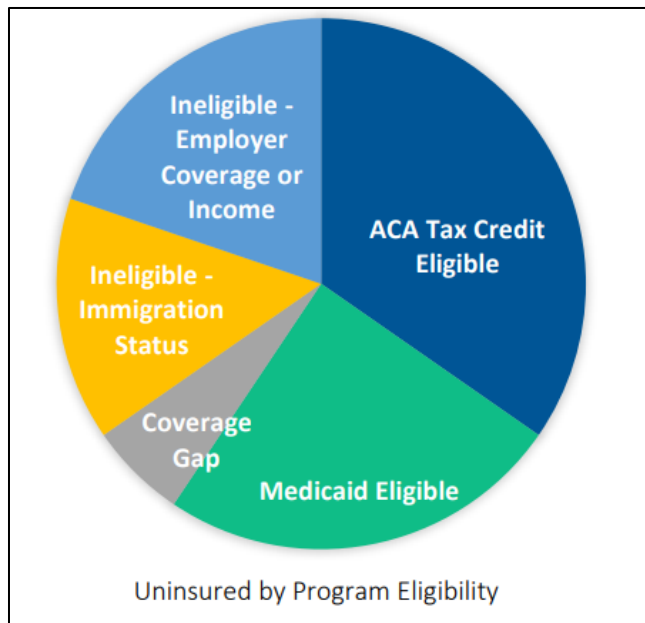
Other CBO reports have found that 61-67 percent of uninsured individual were eligible for subsidized coverage, with 36 percent of individuals being eligible for

Uninsured by Program Eligibility

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[2] https://www.cbo.gov/publication/58263
[3] https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/

Medicaid, CHIP, or Marketplace coverage and roughly the same percentage – about a third of the overall persistently uninsured – were eligible for private coverage through an employer as well.[4]

A top policy priority, for the coming years, needs to be making sure that those eligible for health care today are enrolled and retained. Enrolling people in coverage can improve health outcomes as well as lower health care premiums for everyone. More information on the Enrollment Coalition's policy recommendations is detailed below:

Policy Recommendations for the Trump Administration

1. **Support states in using existing data sources to promote efficiency and accuracy in enrollment.**

The Enrollment Coalition encourages the Trump Administration to allow CMS and states to utilize existing data sources that can improve the efficiency and accuracy in the enrollment process. States are currently required to use data sources to verify financial information to the extent they determine them useful. Many states verify wages, net earnings from self-employment, unearned income, and resources using information from data sources such as the State Wage Information Collection Agency (SWICA), the Social Security Administration (SSA), state agencies administering state unemployment compensation, and human services programs.[5] The Enrollment Coalition is supportive of utilizing additional existing data sources that can be improved and linked to enrollment in order to validate data accuracy and reduce the need for additional verification of eligibility and support current state capacity. These strategies could help individuals retain coverage and avoid the cascading effects that come with uninsurance.

Specifically, CMS could utilize and support states in utilizing the National Directory of New Hires (NDHN), for Medicaid, CHIP, and Advanced Premium Tax Credit (APTC) eligibility determinations. The NDNH database includes information on newly hired and rehired employees, quarterly wage reports of existing employees, and Unemployment Insurance applications and claims. Created in 1996, this database is used by several "programs and agencies to verify program eligibility, prevent or end improper payments, collect overpayments, or ensure that program benefits are correct."[6] According to the Congressional Research Service (CRS), "many programs that have piloted or fully implemented the use of NDNH data to prevent improper payments have reported significant savings as a result."[7]

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[4] https://www.cbo.gov/publication/56658
[5] https://aspe.hhs.gov/sites/default/files/documents/d1c68327569498e86e98764e536b74f4/ex-parte-renewal-data-point.pdf
[6] https://crsreports.congress.gov/product/pdf/RS/RS22889
[7] https://crsreports.congress.gov/product/pdf/RS/RS22889

Multiple budget requests in 2017 and 2020 also proposed that CMS use the NDNH to support program integrity and "assist with income and employer verification and improve the ACA advance premium tax credit payment accuracy to reduce improper payments."[8]

Importantly, adding NDNH data to the federal data services hub and encouraging states to utilize the database would reduce administrative burden on enrollees and states conducting redeterminations, and increase the number of people whose program eligibility can be verified without requiring duplicative and time-consuming paperwork from enrollees, processed manually by public agencies (*ex parte*). Specifically, according to CMS' data snapshot from December 2023 of Medicaid and CHIP enrollment, increased use of *ex parte* redeterminations during the unwinding period is correlated with smaller declines in enrollment among children under 19. [9] Children were disproportionately impacted during the unwinding due to procedural denials, and *ex parte* renewals, built to scale, could prove to be a sustainable avenue to help individuals retain coverage and states to preserve capacity.

2. **Support technology updates to improve transitions of coverage.**

According to the Medicaid and CHIP Payment and Access Commission (MACPAC), only about 3 percent of all adult and child beneficiaries who were disenrolled from Medicaid and CHIP enrolled in Exchange coverage within a year after disenrolling.[10] When individuals lose coverage, they are at risk for lacking care options which may contribute to adverse health outcomes. The Enrollment Coalition encourages CMS to consider how to seamlessly support coverage in whatever program an individual or family is eligible. An initiative is currently under way to improve the account transfer process, but we also recommend requiring that states with state-based marketplaces be required to develop unified systems that determine eligibility for all programs, so that no matter where an individual applies for coverage, they are routed to the correct program without being forced to go from agency to agency, wasting both their time and scarce administrative resources. Ten states already use unified systems to accomplish this goal, and other states that operate their own Marketplace should do the same.

Currently, there is significant variability in how and when states and the Exchange transfer information related to a Medicaid, CHIP, or Marketplace coverage application, and consumers can get bounced from program to program and asked many of the same eligibility questions by multiple government agencies. For example, the current account transfer technology utilizes an Extensible Markup Language (XML)-based data model with insufficient data quality controls, leading to incomplete and inaccurate data which can result in individuals having to fill out a new application with the Marketplace to receive an eligibility determination for

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[8] https://www.acf.hhs.gov/sites/default/files/documents/olab/final_cj_2017_print.pdf
[9] https://www.medicaid.gov/sites/default/files/2023-12/medicaid-unwinding-child-data-snapshot.pdf
[10] https://www.macpac.gov/wp-content/uploads/2022/07/Coverage-transitions-issue-brief.pdf

Marketplace coverage.[11] Additionally, states and the Marketplace routinely duplicate verifications when accounts are transferred.[12]

Modernizing the technology and processes and standardizing enrollment files and information can significantly improve consumer experience and support accurate enrollments. The Enrollment Coalition encourages the Administration to engage states in a collaborative process to improve the technology facilitating transitions of coverage and accurate enrollment in coverage for which an individual is eligible.

3. **Promote choice and competition among health care plans and prevent premium increases that drive up prices and destabilize private insurance markets.**

In a recent letter to members of Congress, CBO estimated that not extending the enhanced premium tax credits would increase the number of uninsured people by 3.7 million and increase premiums by 4.3 percent in 2026. CBO specifically estimates the large exit of "healthier-than-average" individuals from the marketplace will result in this premium increase. In the more immediate term, CBO estimates that 2.2 million individuals will become uninsured and average benchmark premiums will increase by 4.3 percent in 2026 if the expiration is not addressed Furthermore, this wave of uninsurance among healthy individuals will have greater implications on other aspects of the health care system, such as risk pools for individual market risk adjustment. This imbalance will make it harder for health plans to accurately price products, impacting premiums and overall affordability for consumers, perpetuating uninsurance.

The Enrollment Coalition is concerned about this potential increase in premiums and number of uninsured individuals, which will fall disproportionately on low-income individuals and those nearing Medicare eligibility age, particularly in higher cost rural areas. The expiring enhancements to premium tax credits have been a critical factor in the recent growth and stabilization of the individual market and have helped encourage more issuers to enter this market to provide coverage thousands of individuals and families in every Congressional District. We urge the Trump Administration to work with Congress to promote choice and competition among health care plans and prevent premium increases that drive up prices and destabilize private insurance markets by preventing the expiration of tax credits that increase private health coverage.

Additionally, under current law, people establish premium tax credit eligibility for a particular plan year by predicting what their income will turn out to be by the end of that year. Other programs ranging from post-secondary school assistance to the Child Tax Credit base current-

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[11] https://www.medicaid.gov/federal-policy-guidance/downloads/cib10102024.pdf
[12] https://www.medicaid.gov/federal-policy-guidance/downloads/cib10102024.pdf

year eligibility for assistance on previous federal income tax returns, while leaving room for people to claim additional help by demonstrating reduced income or increased household size since the prior year. Under our proposal for states to innovate with automatic enrollment policies (see next recommendation), individuals and families could qualify for premium tax credits based on prior-year tax returns, eliminating the need to speculate about the following year's earnings and increasing program integrity. The Coalition encourages the Trump Administration to consider utilizing prior year income information, which can be verified through tax information and other sources, to establish eligibility for premium tax credits.

4. **Support state flexibility to adopt facilitated enrollment, easy enrollment, and automatic enrollment programs that effectively and efficiently use data for operational excellence.**

Automatic enrollment can reduce the barriers that deter eligible people from enrolling in health coverage. Enabling millions of uninsured Americans to be enrolled in health coverage for which they are already eligible is an efficient and effective strategy that will help improve the health of those Americans, their communities, and our health care system. The Coalition encourages HHS to utilize all existing authorities and flexibilities to allow states to automatically enroll eligible individuals in $0 net premium coverage for the consumer, which could include Medicaid/CHIP or Marketplace plans.

Several states have already implemented forms of automatic enrollment, including automatically enrolling individuals who are no longer eligible for Medicaid into Marketplace plans. Additionally, multiple states have implemented Easy Enrollment programs which utilize state tax information to support enrollment in Marketplace coverage.[13] The Enrollment Coalition encourages HHS to support and expand automatic enrollment programs for eligible individuals.

The Coalition has developed an autoenrollment policy that supports the enrollment of eligible individuals and families, protects patient choice, and preserves program integrity. The Coalition's legislative proposal would provide the Secretary of Health and Human Services the authority to approve a state autoenrollment demonstration program in which the state, using prior year income tax data, or other reliable sources of income data, automatically enrolls an individual or family into coverage with a zero dollar premium (taking into consideration any subsidies for which the individual or family is eligible). As a coalition representing multiple voices of the health care sector, including payors, providers, and patients, who have come together to support an autoenrollment policy, the Enrollment Coalition would be pleased to further discuss this topic with CMS.

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[13] https://www.marylandhealthconnection.gov/easyenrollment/

5. **Conduct oversight of agents and brokers to prevent waste, fraud, and abuse in health coverage programs.**

The Enrollment Coalition believes there is a role for agents and brokers in advancing the shared goal of enrolling people in – or maintaining their enrollment in – health coverage for which they are eligible. The Enrollment Coalition is also very concerned about the reports of unauthorized and fraudulent activity by agents and brokers. We recognize the critical role agents and brokers play in enrollment supports and support greater protection for consumers and transparency for the agents and brokers who serve them and encourage transparency in enrollment processes to ensure consumers are afforded appropriate plan selections. While it is important that actions taken do not establish additional hurdles for consumers to enroll in a plan, it is critical to protect consumers from fraudulent activity. This is particularly important as consumers may be unaware of tax liability or unexpected out of pocket expenses due to changes in plan provider networks. In addition, fraudulent activity harms not only consumers but also legitimate agents and brokers, whose valid enrollments may be misattributed or claimed by unscrupulous agents and brokers.

CMS should utilize its authority to suspend an agent's or broker's ability to transact information with the Federally-Facilitated Exchange if CMS reasonably determines the agent or broker's fraudulent actions pose unacceptable risk to the accuracy of the Exchange's eligibility determinations, Exchange operations, applicants, or enrollees, or Exchange information technology systems. This authority should be carefully targeted at agents and brokers committing fraud to avoid inadvertently harming consumers by preventing legitimate enrollment activity.

Conclusion
We appreciate your focus on improving the health of Americans would like to be a resource in this effort. Should you have any questions or wish to discuss out comments further, please contact Laura Pence at Laura.Pence@LeavittPartners.com.

Sincerely,

Laura Pence

Laura Pence
Advisor to the Enrollment Coalition