

NUMBER

#23-21-26

DATE

November 14, 2023

OF INTEREST TO

County Directors
Social Services Supervisors and
Staff
Financial Assistance
Supervisors and Workers
Tribal Chairpersons and Tribal
Health Directors
Navigators, Certified
Application Counselors and
Brokers

ACTION/DUE DATE

Please read information and
prepare for implementation.

EXPIRATION DATE

November 14, 2025

DHS Implements Mitigation Plan 2.0 and Clarifies Post Renewal Policies

TOPIC

Mitigation Plan 2.0, return to standard eligibility policies following renewal, and reconsideration periods during the unwinding.

PURPOSE

The bulletin provides information about Mitigation Plan 2.0 to conduct Minnesota Health Care Programs (MHCP) ex parte renewals at the individual level, the return to standard eligibility policies following renewal, and the reconsideration periods for renewal cohorts during the unwinding period.

CONTACT

County and tribal agencies should submit policy questions via HealthQuest.

All others should direct questions to:

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SIGNED



JULIE MARQUARDT
Interim State Medicaid Director

TERMINOLOGY NOTICE

The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language.

I. Background

Federal Medicaid regulations require that states attempt to confirm an enrollee's eligibility using information in the case file and reliable electronic sources before sending a paper renewal form and requesting information from the enrollee. This simplified renewal process is known as an "ex parte renewal" or "auto renewal" process.

The Centers for Medicare & Medicaid Services (CMS) recently issued guidance that clarified that states are required to conduct the ex parte renewal process at an individual enrollee level and not at the household level. When eligibility for one or more household members cannot be confirmed, the state must still proceed with the ex parte or auto renewal for those household members whose eligibility can be confirmed. Conducting ex parte renewals at the household level may adversely impact individuals in multi-member households where more than one family member is on Medicaid, and they have different eligibility requirements to qualify for Medicaid.

The Minnesota Eligibility Technology System (METS) conducts ex parte renewals behind the scenes and determines whether Medical Assistance (MA) for families with children and adults (MA-FCA) and MinnesotaCare households are automatically renewed. If they cannot be automatically renewed, a renewal form is sent to gather information needed to redetermine eligibility. For MA for people who are age 65 or older, blind or who have a disability (MA-ABD), and Medicare Savings Programs (MSP), eligibility workers attempt to manually auto renew households that meet certain ex parte renewal criteria. See [Bulletin #23-21-18C](#) for more information about the ex parte renewal process for MA-ABD and MSP.

Currently, both of Minnesota's ex parte renewal processes occur on a household level instead of the required individual level. Individual enrollees are not auto renewed unless eligibility for all their household members can be auto renewed. As a result, DHS must take the following actions:

1. Reinstate coverage and renew MA and MSP eligibility for all enrollees who should have been individually auto renewed but were procedurally terminated (i.e., closed for not completing a renewal).
2. Pause procedural terminations, identify enrollees who should have been individually auto renewed, and renew their MA or MSP eligibility.
3. Implement ongoing mitigations to identify enrollees who should be individually auto renewed and renew eligibility for those enrollees or if necessary, their households.
4. Change the state's information technology (IT) systems and processes to ensure that ex parte renewals are conducted for each individual enrollee in the household.

This bulletin provides information about temporary steps DHS is taking to comply with federal renewal requirements to carry out ex parte renewals at the individual level. These strategies, referred to as Mitigation Plan 2.0, vary based on the status of renewal processing for each renewal cohort. The ongoing mitigation strategies will be in place until IT systems and processes are updated to conduct individual level ex parte renewals.

This bulletin also provides information on the return to standard eligibility policies following renewal and the reconsideration period for renewal cohorts during the unwinding period.

II. Mitigation Plan 2.0

For the actions described in paragraphs A through C below, DHS will identify enrollees in multi-member households who were not or will not be auto renewed under current processes, but who based on the information available in the case file and data received from trusted electronic sources during the renewal process, likely should have been auto renewed in an individual level ex parte determination.

These examples illustrate scenarios where an MA enrollee in a household with other family members on MA, was not auto renewed but should have been.

Example 1:

Jo and her five-year old child, Taylor, are enrolled in MA with a May renewal. During the automated ex parte renewal process, METS receives income data from the Department of Employment and Economic Development (DEED) that indicates they have income equal to 180% of the Federal Poverty Guidelines (FPG). Since Taylor's income limit for MA as a child under age 19 is 275% FPG, the electronic income data confirms Taylor's MA eligibility. Jo's MA eligibility cannot be confirmed, since the electronic income data indicates income above the MA parent income limit of 133% FPG. Taylor's MA eligibility should be auto renewed, while Jo should receive a renewal form to complete and return. However, because METS conducts ex parte renewals at the household level and both Jo and Taylor's eligibility could not be confirmed, Taylor's MA eligibility was not auto renewed. As part of the mitigation plan, DHS queries METS and identifies Taylor as an enrollee who likely should have been auto renewed based on the DEED data received during the ex parte process.

Example 2:

Micha is enrolled in MA with a medical spenddown under the basis of eligibility for people who have a disability. He has earned income from self-employment. His son, Robert, is enrolled in MA under the TEFRA option. Micha's income is not counted to determine Robert's eligibility, and Robert does not have any income. Robert meets the criteria to have his MA eligibility automatically renewed through the ex parte renewal process, while Micha does not qualify to be included in the ex parte process. However, because the manual ex parte process was conducted at the household level, Robert was not included for auto renewal. As part of the mitigation plan, DHS queries MAXIS and identifies Robert as an enrollee who likely should have been auto renewed, because his MA eligibility is not dependent on the information needed for his father's eligibility.

A. Reinstate and Restore Coverage

DHS will identify former MA and MSP enrollees who were due for renewal in the July, August or September 2023 renewal cohorts who should have been auto renewed on an individual basis but were procedurally terminated. DHS will restore their coverage back to the date of closure and renew their eligibility. DHS will send these enrollees a notice that their MA or MSP coverage has been reinstated and

their eligibility has been renewed, with instructions for what to do if they received medical care during the reinstated months. Sample reinstatement notices can be found on the DHS Renew my Coverage web page under [Communications toolkits](#). The enrollee's renewal month for the next annual renewal will not change.

B. Pause Procedural Terminations and Renew

DHS will pause procedural terminations and extend coverage for up to three months for MA and MSP enrollees whose renewal has not been completed and have renewals in the October, November, or December 2023 renewal cohorts per the table. DHS will send these enrollees a closing notice for failing to complete their renewal. Sample closing notices for the October 2023 cohort can be found on the DHS Renew my Coverage web page under [Communications toolkits](#). Closing notices for the November and December 2023 cohorts will be posted to the communications toolkits at a later time.

Renewal Cohort	Coverage Extension Period	Coverage Termination Date if Renewal is not Returned
October 2023	Up to December 31, 2023	January 1, 2024
November 2023	Up to January 31, 2024	February 1, 2024
December 2023	Up to February 29, 2024	March 1, 2024

Eligibility workers will process renewal forms returned by these enrollees during the extension period and their eligibility will be redetermined. Workers will close eligibility during the extension period for enrollees who are determined no longer eligible and send a 10-day advance closing notice. Enrollees who are determined eligible will have their coverage renewed and the system will generate a notice to inform them of such.

During the extension periods, DHS will identify enrollees within each cohort who should have been auto renewed on an individual basis and provide a report of these enrollees to servicing agencies. Eligibility workers must manually renew MA or MSP eligibility for enrollees on the report before the end of the extension period if their renewal has not been previously completed. For the enrollees in MAXIS, the system will generate a notice, but workers need to send a notice for enrollees in METS, informing them that MA or MSP eligibility has been renewed. The enrollee's renewal month for the next annual renewal will not change.

C. Ongoing Mitigation Strategies to Extend Eligibility

Ongoing mitigation strategies will extend eligibility for certain MHCP enrollees (see C.1 and 2) with renewals due for January 2024 and later. These strategies will remain in place until IT systems and processes are changed to conduct ex parte renewals on an individual level.

1. Ongoing Mitigation Strategy for MA-ABD and MSP

DHS will apply the criteria for MA-ABD and MSP enrollees whose eligibility must be attempted to be renewed through the ex parte process, on an individual enrollee level and not on a household level. This criteria can be found in [Bulletin #23-21-18C](#). Starting with the January 2024 renewal cohort, reports for servicing agencies will include individual enrollees who meet the criteria even if their other household members do not. Eligibility workers must attempt to renew eligibility through the ex parte process for all enrollees on the report. DHS will send renewal forms to households with one or more enrollees who do not meet the criteria.

2. Ongoing Mitigation Strategy for MA-FCA

DHS will identify cases that did not auto renew systematically but include one or more MA-FCA enrollees who likely should have been auto renewed based on information in the case file and data from trusted electronic sources received during the ex parte process. DHS will not send renewal forms to these households. Instead, DHS will provide a report of these cases to servicing agencies and eligibility workers will manually auto renew all MA enrollees on the identified cases listed on the report. The system will generate notices for enrollees on these cases telling them that their MA eligibility has been renewed. The enrollee's renewal month for the next annual renewal will not change.

III. MHCP Eligibility After Renewal

A. Standard Eligibility Policies and the Temporary Asset Disregard

For MHCP enrollees whose coverage is protected under the COVID-19 continuous coverage requirements until renewal, after their eligibility is renewed through any ex parte process or through the processing of a renewal form, standard eligibility policies apply. The enrollee is in the "standard eligibility group" regardless of how the eligibility renewal was conducted and is subject to all MHCP policies related to enrollee responsibilities, including but not limited to reporting changes in circumstances. See [Bulletin #23-21-08](#) and the Eligibility Policy Manual (EPM) [Section 1.3.2.1 MHCP Changes in Circumstances](#) and [Section 1.3.2.4 MHCP Inconsistent Information](#) for more information.

There is an exception for certain MHCP enrollees who are provided an asset disregard until their second annual renewal is conducted after March 31, 2023. This includes MA-ABD, MSP, and MA-FCA enrollees with a medical spenddown who were enrolled on March 31, 2023, or are determined eligible for these

programs before their renewal during the unwinding period. We refer to this as the “temporary asset disregard” and the enrollees impacted as the “asset disregard group.” Enrollees in the asset disregard group are not subject to an asset limit until their annual renewal **after** the unwinding period. Standard asset eligibility and verification policies apply to enrollees who are not included in the asset disregard group. See [Bulletin #23-21-19](#) for more information about the temporary asset disregard.

B. Reconsideration Period

1. Reconsideration periods for renewal cohorts during the unwinding period

Agencies must determine eligibility without requiring a new application form if an MHCP enrollee whose eligibility was procedurally terminated, returns the renewal form, or requested information for renewal within four months after the date of closure. The four-month reconsideration period begins the first day of the month following closure for failure to complete a renewal. This table indicates the reconsideration periods for each renewal cohort during the unwinding period.

Renewal Cohort	IT System	MMIS Coverage End Date	Reconsideration Period
July 2023	METS	*7/31/2023	August 2023 – November 2023
July 2023	MAXIS	See October 2023 cohort	See October 2023 cohort
August 2023	METS & MAXIS	*8/31/2023	September 2023 – December 2023
September 2023	METS & MAXIS	*9/30/2023	October 2023 – January 2024
October 2023	METS & MAXIS	**12/31/2023	January 2024 – April 2024
November 2023	METS & MAXIS	**1/31/2024	February 2024 – May 2024
December 2023	METS & MAXIS	**2/29/2024	March 2024 – June 2024
January 2024	METS & MAXIS	*1/31/2024	February 2024 – May 2024
February 2024	METS & MAXIS	1/31/2024	February 2024 – May 2024
March 2024	METS & MAXIS	2/29/2024	March 2024 – June 2024
April 2024	METS & MAXIS	3/31/2024	April 2024 – July 2024
May 2024	METS & MAXIS	4/30/2024	May 2024 – August 2024
June 2024	METS & MAXIS	5/31/2024	June 2024 – September 2024

*Coverage was extended one month for enrollees who closed for non-renewal.

**Coverage was extended three months for enrollees who closed for non-renewal.

2. Processing a returned renewal in the reconsideration period

Treat a renewal returned during the reconsideration period as a new application, and the date of application is the date that the renewal form or previously requested information for renewal was received by the agency. Determine eligibility for retroactive MA for gaps in coverage in accordance with the EPM [Section 1.2.5 MHCP Retroactive Eligibility](#).

Apply all standard MHCP eligibility policies for processing as a new application except for former enrollees who were in the asset disregard group whose coverage was closed for failure to complete a renewal. These enrollees qualify for the temporary asset disregard until their annual renewal **after** the unwinding period. This includes former enrollees who return a renewal form or requested information for renewal or reapply within the four-month reconsideration period. Do not require these enrollees to provide asset information, verify assets, or complete an Authorization to Obtain Financial Information (DHS-7823) as a condition of eligibility when they return renewal paperwork or reapply during the reconsideration period.

See the EPM [Section 1.2 MHCP Applications](#) for more information.

IV. Action Required

County, tribal and DHS eligibility workers must follow the policies outlined in this bulletin and related ONEsource instructions.

V. Legal Authority

Code of Federal Regulations, title 42, sections 435.916(a)(2) and 457.343

Americans with Disabilities Act (ADA) Advisory

This information is available in accessible formats for people with disabilities by calling 651-297-3862 or toll free at 800-657-3672 or by using your preferred relay service. For other information on disability rights and protections, contact the agency's ADA coordinator.