

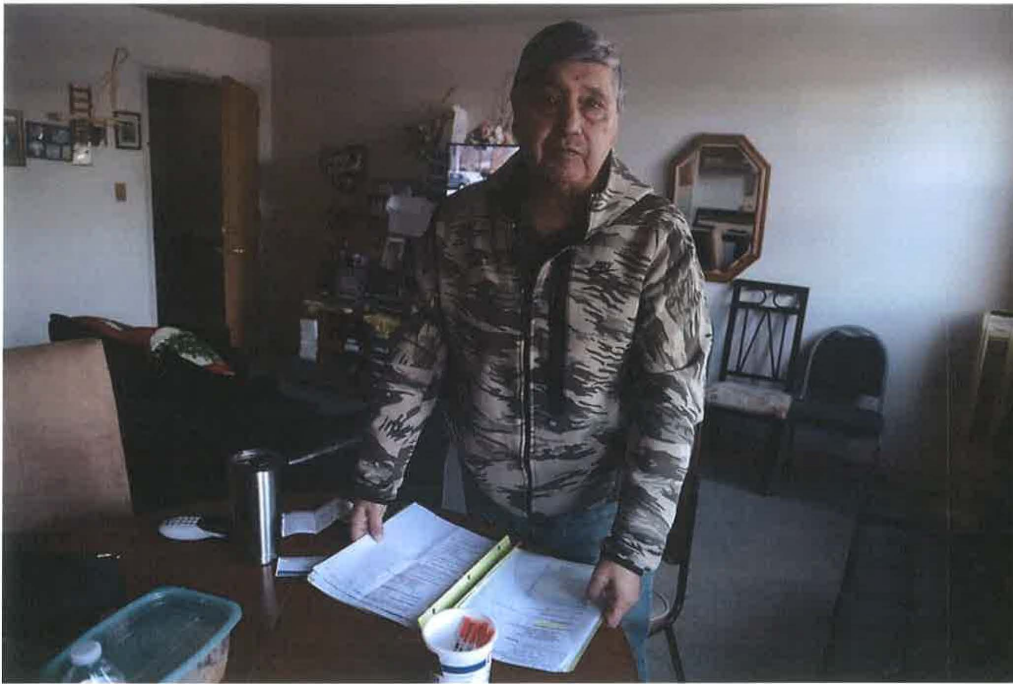
BUSINESS

As many as 700,000 Illinois residents could lose Medicaid health coverage this year

By Lisa Schencker

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Jose Salmeron, who is insured with Medicaid, holds a folder of medical paper and a letter from the Department of Human Services at his home in Cicero on Feb. 17, 2021. (Antonio Perez/Chicago Tribune)

Jose Salmeron doesn't want to think about what would happen if he lost his Medicaid coverage. The 70-year-old Cicero resident has been on the state and federally funded health insurance program, which is for people with low incomes and disabilities, for years. It covered him when he had heart surgery in 2015 and helps to pay for his ongoing care.

"I would not have access to medical services," Salmeron said in Spanish, if he lost Medicaid coverage. He's also on Medicare because of his age, but Medicaid helps cover many costs that might otherwise be out-of-pocket and unaffordable for him. "What would I do?"

It's a question many Illinois residents will soon face. Anywhere from about 384,000 to 700,000 people in Illinois are expected to lose their Medicaid health coverage this year, as federal protections put in place during the pandemic fade. Though some of those people will gain coverage elsewhere, others will find themselves suddenly uninsured, and unable to pay for doctor visits and medications.

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"We are very concerned that people are going to fall off (Medicaid), and they won't know about it until it's too late," said Susan Vega, programs manager at Alivio Medical Center, a federally qualified health center that serves many Chicago-area patients on Medicaid.

Here's what Illinois residents should know about the changes to Medicaid:

Why will so many people lose Medicaid?

The situation is a result of several pandemic-related changes to federal law. Before COVID-19, Illinois residents on Medicaid had to renew their coverage each year, often by filling out paperwork proving they were still eligible for the program.

When the pandemic began, the federal government wanted to make sure as many people as possible had health coverage, so it began giving states extra money in exchange for states promising not to kick anyone off Medicaid. People on Medicaid no longer had to periodically prove they still qualified for the program in order to stay on it.

In Illinois, the number of people on Medicaid jumped from nearly 2.9 million before the pandemic to 3.9 million now, according to the state.

But as the pandemic subsided last year, federal lawmakers decided continuous enrollment in Medicaid was no longer needed, and they passed a new bill ending that provision on March 31 of this year.

That means people on Medicaid will again have to prove they still qualify in order to keep coverage.

When will people in Illinois start losing Medicaid?

In Illinois, the first renewal notices will hit mailboxes in May and be due in June. That means the earliest Illinois residents will start losing Medicaid is July. Everyone on Medicaid will have a different renewal date, with some earlier in the year and some later.

The federal government estimates that about 17% of people on Medicaid may lose coverage based on data from past years, which would equal about 700,000 people in Illinois. The Illinois Department of Healthcare and Family Services is more optimistic, estimating that about 384,000 Illinois residents will lose Medicaid, because of its efforts to help eligible people keep their coverage.

Who will lose Medicaid coverage?

When people lose Medicaid, it will likely be for one of two reasons: either they're no longer eligible because they make too much money or they are still eligible but didn't complete the required paperwork.

Illinois will renew some Medicaid recipients' coverage automatically, if the state already has enough information about those people to do so. But many others will have to fill out the paperwork.

If people's addresses have changed in the last few years, the state may send the notices to the wrong places. Other times, people may just forget to fill it out or not realize it's important.

"What keeps me up at night is ... people who are eligible but they've moved or they're busy or they lose track of stuff and they lose health care coverage just because of paperwork," said Samantha Olds Frey, CEO of the Illinois Association of Medicaid Health Plans. "I think that is going to be a herculean task to minimize the disruptive impact of people losing coverage because of paperwork."

Others will lose coverage because they no longer qualify for the program, likely because they make too much money. In Illinois, individuals who make up to \$1,366 a month can qualify for Medicaid.

People who make too much money may be able to get health insurance through their employers. Or, they can shop for health insurance coverage through the Affordable Care Act marketplace at [HealthCare.gov](https://www.healthcare.gov) or [GetCoveredIllinois.gov](https://www.getcoveredillinois.gov). Most people who buy plans through the marketplace qualify for subsidies that help offset the cost of insurance.

About 80% of customers who shopped for coverage at [HealthCare.gov](https://www.healthcare.gov) during the last open enrollment period were able to find plans for \$10 a month or less after the subsidies, according to the federal government.

"There are many health plans that are now within reach for people, financially speaking," said Lucia Flores, director of community engagement at Esperanza Health Centers, which serves many people on Medicaid in Chicago.

Still, experts acknowledge it may be difficult to persuade some former Medicaid recipients to buy plans through the Affordable Care Act marketplace.

"That transition is the hardest because you're not just enrolling in something, you're purchasing something," said Stephanie Altman, director of healthcare justice at the Shriver Center on Poverty Law in Chicago. "We're hoping people get over to the marketplace and see there are affordable plans so we don't lose a lot of people."

What will happen when people lose Medicaid?

For individuals who lose Medicaid, the consequences could be dire. If someone loses Medicaid and doesn't sign up for other coverage, that person may not realize they have no health insurance until they go to a pharmacy or a doctor's office.

"Prescription drugs will be a big problem," Vega said. People may start getting bills for medications or not be able to get their medications when they go to pharmacies, she said.

Those people will still be able to get emergency care at hospitals, because federal law requires hospitals to provide emergency treatment to patients, regardless of ability to pay. If the patient is still eligible for Medicaid, hospital staff will likely help sign that patient up so their care will be covered. If not, the person may get billed, or the hospital may have to eat the cost.

But even people who lose Medicaid and then sign up for plans at HealthCare.gov or through their employers might be in for a jolt.

People who buy new, private health plans may have to contend with new deductibles, different networks of doctors they're allowed to see, and different rules about which medications are covered and how, said Sabrina Corlette, a research professor at Georgetown University's Center on Health Insurance Reforms.

"What I worry about is not only interrupted coverage, but (also) folks for whom a disruption to a certain treating provider or prescription drug could really have negative health consequences," she said.

Given those complications, health care leaders worry that patients might forgo medical care altogether.

"People are going to delay necessary care and they could potentially be sicker when they come in because they've delayed care," Dan Regan, a spokesman for Sinai Chicago health system, said.

Health systems are also expecting to take a financial hit, as people show up for care without health insurance or delay seeking care, he said. Many of the health systems and providers who see the most Medicaid patients are already strained.

"We know that more than half of our patients are Medicaid patients," Regan said. The changes could have "significant financial impacts for us," he said.

What can people do to avoid losing Medicaid coverage?

People who believe they are still eligible for Medicaid should make sure the Illinois Department of Healthcare and Family Services has their current addresses, so they can get the renewal notices.

People can update their addresses at [medicaid.illinois.gov](https://www.medicaid.illinois.gov) or call 877-805-5312 from 7:45 a.m. to 4:30 p.m. People can also go to [abe.illinois.gov](https://www.abe.illinois.gov) to see when their renewals will be due.

Health centers with many patients on Medicaid, such as Alivio and Esperanza, are also reaching out to their patients, via phone calls and text messaging, to make sure they know what's coming. They have teams of people dedicated to helping patients make sure they have coverage in one form or another.

And the state is staffing up to make sure it has enough workers to help people facing Medicaid renewals. The Department of Healthcare and Family Services plans to reach out to people by mail, email, text messaging,

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And the state is staffing up to make sure it has enough workers to help people facing Medicaid renewals. The Department of Healthcare and Family Services plans to reach out to people by mail, email, text messaging,

phone, advertising and by working with other state agencies, spokeswoman Jamie Munks said in an email.

"Whether and how people get through this transition is highly dependent on how well the state manages this process," Corlette said. "It is hard to overstate the level of effort that is going to be required for state agencies to manage this."

Chicago Tribune's Adriana Perez contributed to this story.

