

Children and Adults Health Programs Group

March 22, 2023

Adaline Strumolo
Deputy Commissioner
Department of Vermont Health Access
280 State Drive, NOB 1 South
Waterbury, VT 05671-1010

Dear Ms. Strumolo:

This letter is in response to Vermont's request, dated October 7, 2022, for a waiver under section 1902(e)(14)(A) of the Social Security Act (the Act), that will protect beneficiaries in addressing the challenges the state faces as part of a transition to routine operations when the COVID-19 Public Health Emergency (PHE) ends. Section 1902(e)(14)(A) of the Act allows for waivers "as are necessary to ensure that states establish income and eligibility determination systems that protect beneficiaries." Such waivers are time-limited and are meant to promote enrollment and retention of eligible individuals by easing the administrative burden states may experience in light of systems limitations and challenges.

The ongoing COVID-19 pandemic and implementation of federal policies to address the PHE have disrupted routine Medicaid and Children's Health Insurance Program (CHIP) eligibility and enrollment operations. Medicaid and CHIP enrollment has grown to historic levels due in large part to the continuous enrollment requirements that states implemented as a condition of receiving a temporary 6.2 percentage point federal medical assistance percentage increase under section 6008 of the Families First Coronavirus Response Act (P.L. 116-127).

Consistent with the March 3, 2022 Centers for Medicare & Medicaid Services (CMS) State Health Official (SHO) letter #22-001, "*Promoting Continuity of Coverage and Distributing Eligibility and Enrollment Workload in Medicaid, the Children's Health Insurance Program (CHIP), and Basic Health Program (BHP) Upon Conclusion of the COVID-19 Public Health Emergency*" (March 2022 SHO letter), Vermont has requested that CMS provide authority under section 1902(e)(14)(A) of the Act to temporarily suspend the requirement that individuals apply for certain other benefits to which they are entitled (such as annuities, pensions, retirement, disability, and unemployment benefits), as a condition of Medicaid eligibility. CMS indicated in the March 2022 SHO letter that we would consider additional state requests for section 1902(e)(14)(A) waiver strategies that impact the state's ability to process renewals, including strategies that streamline application processing in order to maximize state resources. The state expressed the need for this authority in order to address systems and operational issues related to the extraordinarily high volume of renewals and other eligibility and enrollment actions that need to be conducted during the unwinding period. The state expressed that limiting the need to request additional information from Vermont Medicaid applicants and beneficiaries will

facilitate a more efficient renewal process, as well as the initial application process, and will promote continuity of coverage, access to care, minimize burden and reduce workload for state eligibility staff while they are facing significant strains and staffing shortages.

Under section 1902(e)(14)(A) of the Act, your request for the temporary suspension of the Medicaid eligibility requirement that applicants and beneficiaries apply for certain other benefits to which they are entitled under 42 C.F.R. § 435.608 is approved, as described and subject to the conditions below.

Suspension of the Requirement that Individuals Apply for Certain Other Benefits

The authority provided in accordance with this letter will enable the state, during the period of time specified below, to complete eligibility determinations for applications and renewals without requesting additional information or documentation from individuals related to whether they have applied for other benefits to which they are entitled. This authority temporarily permits a waiver of the requirement in 42 C.F.R. § 435.608 that beneficiaries to take all necessary steps to obtain other benefits to which they are entitled (implementing section 1902(a)(17)(B) of the Act). It is necessary because it temporarily reduces the workload on the limited state eligibility determination workforce and system and it protects beneficiaries by reducing burden and promoting access to, and continuity of, Medicaid coverage.

The authority provided in this letter is effective April 1, 2023, and will remain effective for applications and renewals initiated through the end of the state's 12-month unwinding period, as defined in the March 2022 SHO letter.

The authority provided in this letter is subject to CMS receiving your written acknowledgement of this approval and acceptance of this new authority and the terms described herein within 30 days of the date of this letter.

We look forward to our continuing work together as part of a transition to routine operations. If you have questions regarding this award, please contact Martin Burian in the Division of Medicaid Eligibility Policy, at martin.burian@cms.hhs.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sarah deLone".

Sarah deLone, Director,
Children and Adults Health Programs Group