MARCH 2021

Medicaid Options for States During COVID-19: Considerations for Maternal and Child Health

Association of Maternal & Child Health Programs
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The COVID-19 pandemic was the catalyst for multiple policy changes for Medicaid, the nation's largest health insurance provider. To help state Medicaid programs manage an unprecedented health crisis, the Centers for Medicare & Medicaid Services (CMS) created several avenues for states to pursue changes to their Medicaid programs. Policy options such as state plan amendments (SPA) and waivers allow states to institute critical modifications to their Medicaid programs. As of September 2020, all states have received CMS approval to implement at least one COVID-19 policy option, and many states have pursued multiple waivers and/or SPAs to address emergent needs.[1]

States have used Medicaid SPAs and waivers to address the pandemic-related needs of maternal and child health (MCH) populations by transitioning in-person prenatal care to telehealth, temporarily extending Medicaid coverage for pregnant and parenting women, and implementing other adaptive changes related to eligibility and service delivery. This fact sheet explores several common policy options for states during this public health emergency and addresses the considerations for how future rollbacks to emergency provisions may affect MCH outcomes.

To increase and sustain access to health care services during the COVID-19 pandemic, many states have utilized the following administrative tools to modify their existing state plans:

- SPAs
- 1135 Waivers
- 1115 Waivers for COVID-19
- 1915(c) Home- and Community-Based Services Waiver Appendix K.[2]

Emergency authorities that are most relevant to addressing the needs of MCH populations are SPAs and 1135 waivers.

State Plan Amendments

Under normal circumstances, SPAs go through a 90-day review and approval process after they are submitted to CMS. Once they are approved, they become a permanent change to the Medicaid plan. To meet states' needs to rapidly modify and make temporary changes to their Medicaid programs, CMS developed a special SPA template.[3] The template allows states to request multiple program changes simultaneously. Modifications include changes to Medicaid eligibility, enrollment rules, scope of benefits, provider reimbursement, and cost-sharing requirements. States can set time limits on their SPAs to align with either the emergency declaration period or another date prior to the end of the emergency declaration period. To date, all 50 states and DC have applied for a temporary SPA or taken other administrative action to adjust their Medicaid program.

The following chart describes options states have in implementing policy flexibilities in their Medicaid programs during the COVID-19 public health emergency. This chart discusses the impact that exercising specific options has for MCH populations, providers, and the health care system.

1135 Waivers

Under the declaration of a national emergency and public health emergency, states may submit 1135 waivers to CMS for approval. An 1135 waiver allows states to increase access to care by relaxing requirements for provider participation in the Medicaid program, suspending pre-approval requirements, lifting rules and restrictions on where care takes place, and altering provider reimbursement. To date, all 50 states and DC have received approval for an 1135 waiver. The waivers are approved for 60 days or the duration of the emergency declaration, whichever comes first. This type of waiver can be renewed if after 60 days the emergency declaration is still in effect.

Adapting Medicaid Flexibilities to MCH populations during COVID-19

	Implications	SPA	1135
Eligibility			
▪ Expand Medicaid coverage to optional populations ▪ Relax eligibility requirements (application deadlines, proof of residency)	Can be used to increase income limits for pregnancy-related Medicaid, thereby increasing access to coverage. States that cover pregnant women through the Children's Health Insurance Program (CHIP) can also use this mechanism to increase income limits for this coverage group	●	
Member Enrollment			
▪ Streamline and simplify the application process ▪ Extend renewal deadlines ▪ Extend presumptive eligibility to other groups beyond those that are income eligible	The disenrollment freeze, which was authorized by the Families First Coronavirus Response Act (FFCRA), provides states with enhanced Medicaid funding to retain Medicaid members enrolled as of March 18, 2020, through the end of the public health emergency. (Women who are Medicaid eligible due to pregnancy are included in this group.) Presumptive eligibility determinations can help a woman seeking care gain early access to prenatal care, before she has fully enrolled in the Medicaid program. It also ensures provider reimbursement for the care provided.	●	
Premiums/cost-sharing			
Eliminate cost-sharing, enrollment fees, copayments, deductibles, and coinsurance in Medicaid and CHIP	This provision could include copays for prenatal care providers and other specialty care providers who support postpartum women.	●	
Benefits			
▪ Extend scope of benefits ▪ Expand scope of practice ▪ Remove benefit restrictions such as service limits and need for prior authorization ▪ Extend existing prior authorizations	Expanding the ability of opioid treatment providers to increase the limit on take-home medications to the maximum days allowed by the Substance Abuse and Mental Health Services Administration	●	

(continued)

Adapting Medicaid Flexibilities to MCH populations during COVID-19

	Implications	SPA	1135
Telehealth			
▪ Expand telehealth coverage and access ▪ Cover audio-only services ▪ Ensure payment parity for telehealth services ▪ Allow more providers to bill for telehealth services. This includes doulas, behavioral health therapists, and specialty care physicians such as obstetricians-gynecologists (OB-GYNs).	Audio-only telehealth visits can facilitate access to prenatal and postpartum care in rural areas where high-speed Internet is unavailable or very limited. Allowing other services to be provided via telehealth, such as lactation consultation and behavioral health, including medication-assisted treatment. Remote patient monitoring can be included as a reimbursable service and can facilitate access to prenatal care when in-person visits are limited. Remote monitoring can include important health checks such as blood pressure, weight and glucose monitoring.		●
Payments			
▪ Increase provider payment rates ▪ Offer interim payments to sustain and retain providers	A state may contractually require their managed care plans to pay an enhanced minimum fee schedule for pediatric primary care providers.	●	
Provider Enrollment			
▪ Permit the use of out-of-state providers ▪ Relax service setting/location requirements ▪ Allow expanded enrollment to include new provider types	Increases access to specialty care (e.g., behavioral health) for pregnant and postpartum women, especially in rural and/or underserved areas. Adding doulas as Medicaid providers increases access to care and may increase positive health outcomes for perinatal women.		●
Prior Authorization for services			
Suspend prior authorization or extend pre-existing prior authorization for fee-for-service members	For MCH populations that may need behavioral health care, this reduces burden on the provider and patient and can facilitate ongoing access to care without disruption.		●

State Examples of Medicaid Adaptations in Response to COVID-19

Case Study: North Carolina[4]

Using a combination of SPAs and the 1135 waiver, North Carolina has responded to the COVID-19 pandemic by providing more flexibility in Medicaid billing for perinatal services via telehealth. Although the driving motivator to implement these tools is to reduce the potential of exposure to the coronavirus to health care workers and their patients, it is evident that expanding these services also increases access to health care. Before the pandemic, North Carolina had a policy that allowed extremely limited use of telehealth. Telehealth was primarily reserved for psychiatric services. Under the new expanded COVID-19 policies, perinatal providers can provide and bill for prenatal and postpartum care via telehealth. Where clinically appropriate, providers can also provide and bill for first-time prenatal visits. Providers may also now provide care via telephone or other audio technology (without video) and through a patient portal using designated billing codes.

The state is allowing services to be billed under a "global" billing code in conjunction with billing modifiers to identify claims related to the COVID-19 policy enhancements. Telehealth services available through the global billing code include postpartum depression screening and medical lactation consultation. In addition, North Carolina has designated items for use with perinatal care such as durable medical equipment (blood pressure monitors, home scales, portable pulse oximeters) and remote physiologic monitoring devices that are considered medically necessary and qualify under the global billing code. The latter includes equipment to remotely monitor pregnant women.

North Carolina also took steps forward to create an option for providers to innovate the location of care and to bill for hybrid visits, in accordance with a policy entitled "Hybrid Telemedicine and Supporting Home Visit" (Special Bulletin #78). This policy allows a physician to conduct a telemedicine visit at the same time that an appropriately trained, delegated staff person conducts a home visit. The home visiting staff can provide blood draws, immunizations, and other necessary in-person care. These visits are billed at an enhanced rate.

Case Study: Massachusetts[5]

Using a combination of SPAs and multiple 1135 waiver applications, Massachusetts expanded access to care through several approaches to telehealth services. The state expanded the definition of acceptable delivery service locations to include alternative care settings, such as hotels, shelters, and residential schools. In addition, Massachusetts made changes to rules for pharmacies. The new rules helped pharmacies deliver more medications to homes, waived pharmacy signature requirements, permitted 90-day medication refills, and covered immunizations administered at the pharmacy.

Access to care became easier when the state expanded the availability of telehealth services and created parity for reimbursing telehealth care. Parity requires providers to be compensated at the same rate as services delivered in-person. Not only that, but providers are also now allowed to provide telehealth to new as well as established patients.

MASSHealth Contributions to Expanding Telehealth Services

MASSHealth made several modifications to enhance telehealth services during the pandemic. These modifications are as follows:

- Expanded provider eligibility for Medicaid/CHIP by allowing out-of-state clinicians to provide care via telehealth
- Enabled behavioral health crisis providers to use telehealth with people at home
- Enabled behavioral health crisis providers to provide crisis responses to emergency departments across the state
- Issued an important *All Provider Bulletin* underscoring the need to provide outreach to OB-GYNs to encourage them to routinely screen for depression and other behavioral health conditions.

Prior to the public health emergency, MASSHealth required physicians to screen for behavioral health issues and this was met with success. Due to overwhelming stressors arising from complications that COVID-19 has created for families, MASSHealth decided also to focus on outreach to pediatricians as well as OB-GYNs to conduct the screenings due to their ready access to families. The *All Provider Bulletin* provides specific recommendations for screening women for perinatal depression and emphasized the health inequities women of color face.[6] Updates to the pharmacy and durable medical equipment policies were also included in the Bulletin in order to decrease contact points for patients and reduce risk of COVID-19 exposure.

To streamline the management of chronic diseases and reduce overutilization of paramedic services, MASSHealth now includes blood pressure monitors and humidifiers as durable medical equipment. These devices can facilitate telehealth and remote monitoring for perinatal women. In addition, families with premature infants or infants with metabolic disorders can now access enteral formula through home delivery before prior authorization is approved.

Future Considerations

Policy options that states likely will consider as they plan for future challenges include transforming temporary SPA actions to permanent SPAs and leveraging 1115 waivers to permanently extend postpartum Medicaid coverage to 12 months; expand perinatal benefits; or target other services provided before, during, and after pregnancy. While the Affordable Care Act remains in effect, any state that has not opted for Medicaid expansion will still be eligible to do so, and this would likely affect women of reproductive age not currently eligible for Medicaid in a 'non-expansion' state.

Given the degree to which many states pursued flexibilities during the pandemic, they will need to weigh the pros and cons of continuing these temporary stopgap measures vis-a-vis the long-term resources required to sustain these newly implemented changes after the national public health emergency has resolved. Indeed, health systems have forged effective health care solutions by quickly adopting and adapting telehealth as a delivery method for pregnant and postpartum women—gains made possible by loosening telehealth restrictions. It is not clear whether states will opt to sustain this expansion of telehealth post-pandemic. In some states, particularly Medicaid expansion states, the number of enrolled Medicaid members has swelled, as people have lost their jobs and become income-eligible.

Provisions tied to the Families First Coronavirus Response Act currently allow pregnant women to remain on Medicaid following the birth of their child until the public health emergency declaration is lifted. This is a major shift for states where postpartum Medicaid coverage expires 60 days postpartum.[7] Although no state has permanently extended postpartum Medicaid coverage to a full year, several have efforts underway to extend coverage beyond the standard 60-day postpartum coverage period.[8]

Conclusion

All the considerations for bolstering state Medicaid programs during the pandemic require policymakers to examine their feasibility in the context of the economic recovery each state must undergo and whether the state's budget can absorb future costs required to sustain the COVID-era changes for the long-term. As importantly, policymakers should consider whether a COVID-initiated Medicaid change resulted in more equitable access to care, when determining whether a policy should become a permanent change to the state's Medicaid program. ■

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Additional Resources

- Georgetown University Center for Children and Families. (2020). Approved 1135 waivers and state plan amendments for COVID-19
- Benatar, S., Dubay, L. & Hill, I. (June 23, 2020). Improving prenatal care and delivery in the wake of COVID-19: Lessons from the Strong Start evaluation, *Health Affairs Blog*
- Eckert, E., & Yinger, M. (April 2, 2020). Five things state Medicaid agencies should do now to improve care for pregnant & postpartum women amid the COVID-19 pandemic, *Health Affairs Blog*
- Hinton, E., & Musumeci, M. Kaiser Family Foundation. (2020). Medicaid managed care rates and flexibilities: State options to respond to COVID-19 pandemic
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Funding

This project is supported by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS), under grant number U1XMC31656 "Supporting Maternal and Child Health Innovation in States" (award totaling $2,000,000). The content and conclusions are those of the author and should not be construed as the official position or policy of, nor are they are an endorsement of HRSA, HHS, or the U.S. Government.

End Notes

[1]Kaiser Family Foundation. (2020). Medicaid Emergency Authority Tracker: Approved state actions to address COVID-19. Retrieved from https://www.kff.org/coronavirus-covid-19/issue-brief/medicaid-emergency-authority-tracker-approved-state-actions-to-address-covid-19

[2]Georgia Health Policy Center. (2020). Options for state Medicaid programs during COVID-19 emergency. Retrieved from https://ghpc.gsu.edu/download/options-for-state-medicaid-programs-during-covid-19-emergency/

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[7]Kaiser Family Foundation. Expanding postpartum Medicaid coverage. (2019). Retrieved from https://www.kff.org/womens-health-policy/issue-brief/expanding-postpartum-medicaid-coverage

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