

State Uptake of Medicaid Postpartum Extension Under the American Rescue Plan Act of 2021



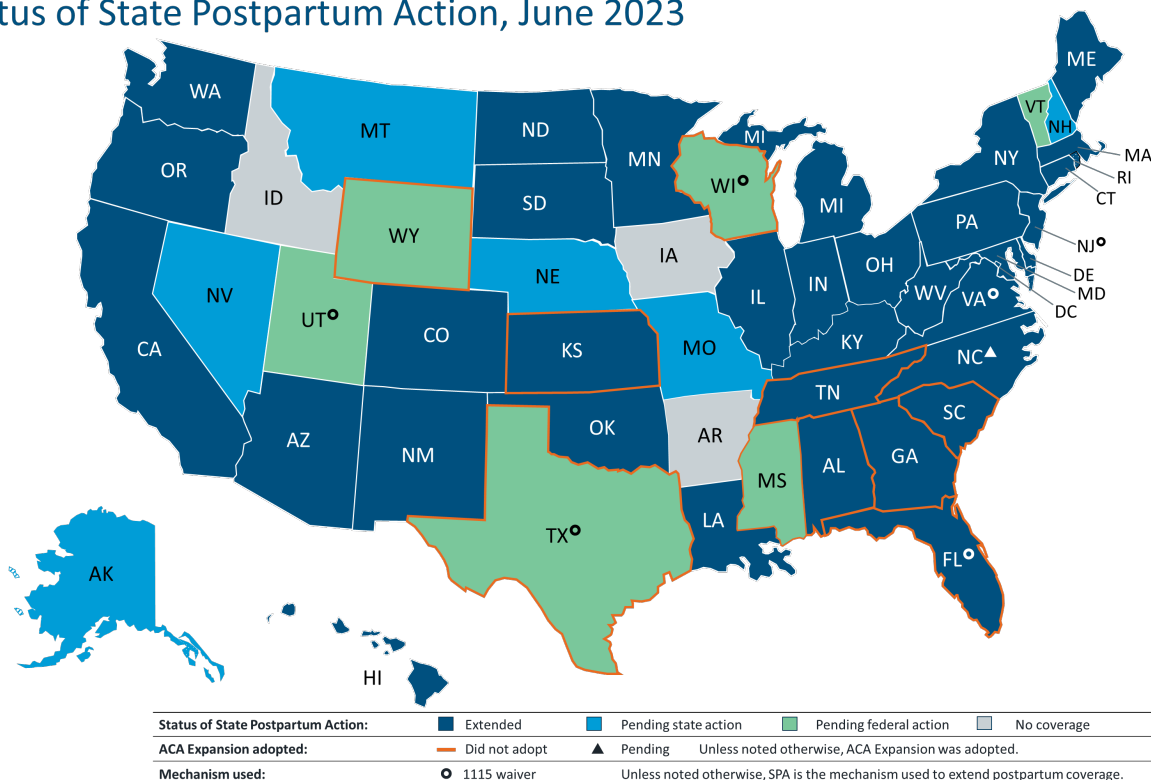
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Research Objective and Design

Recent research found that state implementation of the Affordable Care Act Medicaid expansion helped reduce racial disparities in maternal mortality, which disproportionately impacts Black women.^{1,2} States have had the option to use a 1115 demonstration waiver to extend postpartum Medicaid coverage and receive federal matching funds. The American Rescue Plan Act of 2021 (ARP) gave states an opportunity to permanently expand coverage from 60 days to 12 months postpartum through a State Plan Amendment (SPA) as of April 1, 2022. Postpartum Medicaid beneficiaries in states that do not extend postpartum coverage risk a gap in coverage 60 days after pregnancy ends. The research objective is to clarify state uptake of the ARP option through an environmental scan and descriptive analyses conducted from February to June 2023 of state decisions through a review of existing policy trackers; state Medicaid, legislative, and/or governors' websites; Medicaid.gov; and other publicly available documents. This scan began as part of the National Evaluation of the American Rescue Plan.

Principal Findings

Status of State Postpartum Action, June 2023



As of March 2023, all 50 states were at various stages of uptake from initial consideration to an approved SPA or waiver. Sources reviewed indicate 35 states and the District of Columbia have extended postpartum coverage to 12 months, including seven states that did not adopt Medicaid expansion.³ The remaining 15 states are either pending federal action or were considering or planning to implement an extension during the legislative session in the first half of calendar year 2023. However as of June 13, 2023, several states had failed to pass postpartum extension legislation prior to the end of their sessions.⁴ Most states still pending action are proposing extension of coverage through a SPA, although one state is extending postpartum coverage through an amendment to their existing 1115 demonstration waiver with a restriction on pregnancies ended by elective abortion.⁵ Of the states that have extended postpartum coverage, 33 (including the District of Columbia) used an SPA and three used a waiver.

Of the 11 non-expansion states, six extended postpartum coverage to 12 months through an SPA and one through an 1115 waiver. Two states have submitted waivers for limited coverage that are pending federal approval (a bill is also pending in one of the state legislatures to extend coverage to 12 months and the other state legislature passed a bill to expand coverage to 12 months through an SPA).⁶ Both of the remaining two non-Medicaid-expansion states have submitted or will soon submit an SPA to CMS for approval.⁷

State take-up of the ARP postpartum extension option may be driven by:

- reduced administrative burden of making the change through an SPA rather than an 1115 demonstration waiver;⁸
- increased focus on maternal health and the racial and ethnic disparity in maternal mortality and morbidity (with Black women having the highest maternal mortality rates during the pandemic and also experiencing the largest increase compared with the rate the year before the pandemic);⁹
- evidence that more than 20% of individuals who become eligible for Medicaid because of pregnancy become uninsured within 6 months postpartum, with a much higher rate (37%) in non-Medicaid-expansion states;¹⁰
- increased risk of losing Medicaid coverage after 60 days postpartum as the pandemic continuous enrollment requirement ended on March 31, 2023;^{11,12} and
- framing of postpartum coverage extension in some states as “pro-family” and “pro-life.”^{13,14,15}

Conclusions

All states seem to have taken action to extend Medicaid postpartum coverage since ARP was implemented. However, pending state legislation in some states failed to pass their legislatures prior to the close of this legislative session. It remains to be seen if postpartum coverage legislation will be picked up again when these state legislatures reconvene or if those states with still-pending state action will ultimately implement extended postpartum coverage.

Implications for Policy or Practice

Providing states with options to extend coverage for a specific population and amount of time may be an effective policy lever to improve maternal health outcomes. Future research should follow state actions regarding coverage transitions for postpartum individuals as continuous enrollment ends, as well as the associated impacts on postpartum health.

References

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2. Clark, M., Barger, E., & Corcoran, A. (2021). *Medicaid expansion narrows maternal health coverage gaps, but racial disparities persist*. Georgetown University. <https://ccf.georgetown.edu/2021/09/13/medicaid-expansion-narrows-maternal-health-coverage-gaps-but-racial-disparities-persist/#:~:text=Research%20shows%20that%20Medicaid%20expansion%20is%20significantly%20associated,with%20the%20steepest%20declines%20for%20Black%20babies.%2018>
3. NC passed Medicaid expansion legislation in March 2023, but implementation is contingent on appropriations in the SFY 2023–2024 budget, so it is counted as a non-expansion state. SD is counted as an expansion state as implementation is July 2023.
4. The states are ID, AR, and IA as of June 13, 2023. It is unclear if NE moved forward with extending coverage this legislative session. The state is therefore counted here as “pending state action.”
5. State of Utah. (2023). *Section 1115 Demonstration Amendment*. <https://medicaid.utah.gov/wp-content/uploads/2023/04/12-month-Extended-Postpartum-combined-with-BN.pdf>
6. TX and WI have pending 1115 waivers with CMS for 6 months total coverage and 90 days total coverage, respectively. TX Legislature passed a bill to extend coverage through a SPA to 12 months after childbirth or 6 months after a miscarriage with restriction on pregnancies that end in elective abortion. There is a bill pending action in WI Legislature for 12 months of coverage.
7. MS submitted a SPA to CMS on May 25, 2023. WY public notice period for their SPA ended June 9, 2023, so likely they will be submitting to CMS soon if they haven't already.
8. Voltz, M. (2023, June 5). More states OK postpartum Medicaid coverage beyond two months. *Stateline*. <https://stateline.org/2023/06/05/more-states-ok-postpartum-medicaid-coverage-beyond-two-months/>
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13. Seitz, A. (2023, March 9). Medicaid coverage for new moms gains support in GOP-controlled states. *PBS NewsHour*. <https://www.pbs.org/newshour/politics/medicaid-coverage-for-new-moms-gains-support-in-gop-controlled-states>
14. Kaiser Health News. (2022, December 8). More states to consider extending postpartum Medicaid coverage beyond 2 months. *U.S. News & World Report*. <https://www.usnews.com/news/health-news/articles/2022-12-08/more-states-to-consider-extending-postpartum-medicaid-coverage-beyond-2-months>
15. Nelson, A. (2023). *Some governors identify policies to address maternal and child health*. *NASHP*. <https://nashp.org/some-governors-identify-policies-to-address-maternal-and-child-health/>

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