



Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

May 22, 2024

The Honorable Guy J. Guzzone, Chair
Senate Budget and Taxation Committee
3 West Miller Senate Office Bldg.
Annapolis, MD 21401-1991

The Honorable Ben Barnes, Chair
House Appropriations Committee
121 House Office Bldg.
Annapolis, MD 21401-1991

RE: 2023 Joint Chairmen’s Report (p. 128-129) – Report on Employed Individuals with Disabilities (EID) Program Eligibility Requirements and Expenditures

Dear Chairs Guzzone and Barnes:

In keeping with the requirements of the 2023 Joint Chairmen’s Report (p. 128-129), the Maryland Department of Health (MDH) respectfully submits this update on the Employed Individuals with Disabilities (EID) Program.

Background

Currently, the EID Program enrolls individuals up to 300 percent of the Federal Poverty Level (FPL) in the Maryland Medicaid program. Individuals must be employed and must have (a) a current determination of disability from either the Social Security Administration (SSA) or a State Review team (SRT), or (b) had an SSA determination in the past and lost disability status for a reason other than medical improvement. As of October 2023, 1,064 participants were enrolled in the EID Program in fiscal year (FY) 2024. Table 1 below provides actual EID Program enrollment in FY 2020 - FY2024 (year to date October 2023).

Table 1. Total Enrollment, Annually Ever Enrolled, FY 2020 through FY 2023 and FY 2024 Year to Date (October 2023), by Age¹

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
16 - 20	0	0	*	0	0
21 - 44	343	335	323	331	311
45 - 64	661	635	654	683	639
65 - 74	25	40	*	97	114

¹ Values of ten and below have been suppressed throughout for privacy, as denoted by an asterisk.

Total	1,029	1,010	1,044	1,111	1,064
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EID Program Expansion

The FY 2023 budget included \$4.6 million to expand EID Program eligibility. After working for over six months with stakeholders representing current EID recipients, Medicaid participants who receive disability payments, and disability rights advocates, MDH began to implement changes to expand the EID Program. MDH submitted a State Plan Amendment (SPA) to the Centers for Medicare and Medicaid Services (CMS) and received approval for it with an effective date of January 1, 2024.

The SPA proposed an expansion of the eligible population for the EID Program by establishing less restrictive financial eligibility requirements, including: (1) lowering the age from 18 to 16; (2) eliminating the income requirement and disregarding all retirement accounts for participants; (3) creating the flexibility of an Independence Account for participants; (4) disregarding spousal assets as part of applicant eligibility; and (5) setting new premium levels for higher-income recipients.

Effective January 1, 2024, MDH will allow applicants 16 and older but under 65 years of age to be eligible for EID to align with the federally required age range of at least 16 but less than 65 years of age, as outlined in the Ticket to Work and Work Incentives Improvement Act (TWWIIA) in the Medicaid statute at sec. 1902(a)(10)(A)(ii)(XV) of the Social Security Act. Additionally, participants in the EID program may at this time create an Independence Account as an exempt asset and will have spousal income disregarded for eligibility purposes. New premium levels will go into effect for higher-income recipients on this date.

The establishment of less restrictive financial eligibility requirements will enable more individuals with disabilities to receive Medicaid coverage regardless of their spouse's income and allow participants to save earnings via the Independence Account. Effective January 1, 2024, no income standard applies to applicants or recipients of EID, and spousal income will no longer be considered as a part of eligibility determination. The Independence Account allows applicants to create an account upon determination of eligibility for EID that will be treated as an exempt asset for the purpose of calculating eligibility for Medicaid and EID and will aid in the participant's pursuit of personal or financial independence.

MDH has established a five-tier premium structure that begins at \$40 per month for those above 200 percent of the federal poverty level (FPL) but below 250 percent and ends at 7.5 percent of monthly net countable income for those at 600 percent FPL and above, as seen in Table 2 below.

Table 5. EID Eligibility Denials by Reason, FY 2024, Year-to-Date (December 2023)

FY 2024	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Grand Total
Over Income Denials	*	*	*	0	0	0							*
Over Asset Denials	*	*	*	*	*	*							*
Age Related Denials	*	*	13	*	*	*							37
Grand Total	*	*	18	*	*	*							49
Grand Total 2022 - 2024	*	16	29	14	*	18	*	*	*	*	*	11	145

Recipient Closure Data

Per the Families First Coronavirus Relief Act and guidance from CMS, states were required to furnish continuous enrollment for all beneficiaries during the Public Health Emergency (PHE). MDH did not disenroll recipients for aging out or exceeding income and asset requirements from March 18, 2020 to March 31, 2023.

The Consolidated Appropriations Act of 2023 and schedules approved by CMS terminated this continuous enrollment effective April 1, 2023. As such, Maryland resumed normal eligibility and enrollment operations, including processing redetermination applications that may have resulted in Medicaid terminations for recipients that no longer met the program criteria. The resumption of normal operations has taken place during a 12-month period referred to as the Unwinding Period.

The MDH was granted a temporary extension to the disaster relief policies in effect following the PHE. The extension provides recipients with a "less restrictive treatment of resources allowing Maryland to disregard resources accumulated during the PHE during the 12-month unwinding period that ends April 30, 2024," and as such no recipients have been disenrolled for exceeding resources.

Ninety-six recipients were disenrolled from the EID program during Fiscal Years 2022 to 2024 for aged related, excessive income, and excessive resources reasons. A recipient may have been disenrolled for one than one reason resulting in them being counted multiple times. Tables 6 through 8 below list these closures by reason and month per fiscal year.

Table 6. EID Disenrollments by Closure Reason, FY 2022

FY 2022	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Over Income Closures	0	0	0	0	*	0	*	*	*	0	*	0	*
Over Asset Closures	0	0	0	0	*	0	*	*	*	0	*	0	*
Age Related Closures	0	0	0	0	*	0	*	*	*	0	*	0	*
Grand Total	*	*	*	*	*	*	*	*	*	*	*	*	*

Table 7. EID Disenrollments by Closure Reason, FY 2023

FY 2023	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Over Income Closures	*	0	0	*	0	*	0	*	*	*	*	*	*
Over Asset Closures	*	0	0	*	0	*	0	*	*	*	*	*	*
Age Related Closures	*	0	0	*	0	*	0	*	*	*	13	*	24
Grand Total	*	0	0	*	0	*	0	*	*	*	20	*	38

Table 8. EID Disenrollments by Closure Reason, FY 2024 Year-to-Date (December 2023)

FY 2024	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Over Income Closures	0	0	*	*	*	*							*
Over Asset Closures	*	*	*	*	*	*							*
Age Related Closures	17	*	*	*	*	28							63
Grand Total	20	*	*	*	*	29							74
Grand Total 2022 - 2024	21	*	*	*	*	31	*	*	*	*	21	*	119

Enrollment and Expenditures

Effective January 1, 2024, CMS approved the Department's State Plan Amendment to remove the income standard for applicants or recipients of EID, and spousal income will no longer be considered as a part of eligibility determination. Data on eligibility closures due to spousal income is not readily available for the prior fiscal years, and spousal income will not be considered for eligibility effective January 1, 2024.

The table below lists the actual EID Program expenditures in fiscal 2022, 2023, and 2024 year to date. As the new rules for eligibility expansion were delayed until January 2024 due to additional CMS technical review, expansion expenditures are unavailable to report separately at this time.

Table 9. Total Enrollment and Expenditures, FY 2022 through FY 2023 and FY 2024 Year-to-Date (December 2023)²

FY 2022		FY 2023		FY 2024	
Enrollment	Reimbursements	Enrollment	Reimbursements	Enrollment	Reimbursements
999	\$11,548,182.11	1,038	\$13,525,427.02	1,055	\$17,275,727

The program expansion is anticipated to enroll an additional 1,211 participants, with an average premium of \$29 per month. MDH estimates a fiscal impact of \$3,258,144 per fiscal year, with 50 percent (\$1,629,072) coming from federal funds and 50 percent (\$1,629,072) coming from state funds. MDH anticipates a revenue increase of \$937,314 for Fiscal Year 2024 due to the additional premiums.

MDH will continue to engage with stakeholders about any updates to the EID Program.

If further information about this program is needed, please contact Sarah Case-Herron, Director of Governmental Affairs, at sarah.case-herron@maryland.gov.

Sincerely,



Laura Herrera Scott, MD, MPH
Secretary

cc: Ryan Moran, Deputy Secretary, Health Care Financing and Medicaid
Sarah Case-Herron, Director, Office of Governmental Affairs
Tricia Roddy, Deputy Director, Maryland Medicaid Program
Debbie Ruppert, Executive Director, Office of Eligibility Services
Alyssa Brown, Director, Office of Innovation, Research, and Development
Sarah Albert, Department of Legislative Services (5 copies)

² Please note that providers have 12 months to submit claims, therefore some of this data may be incomplete.