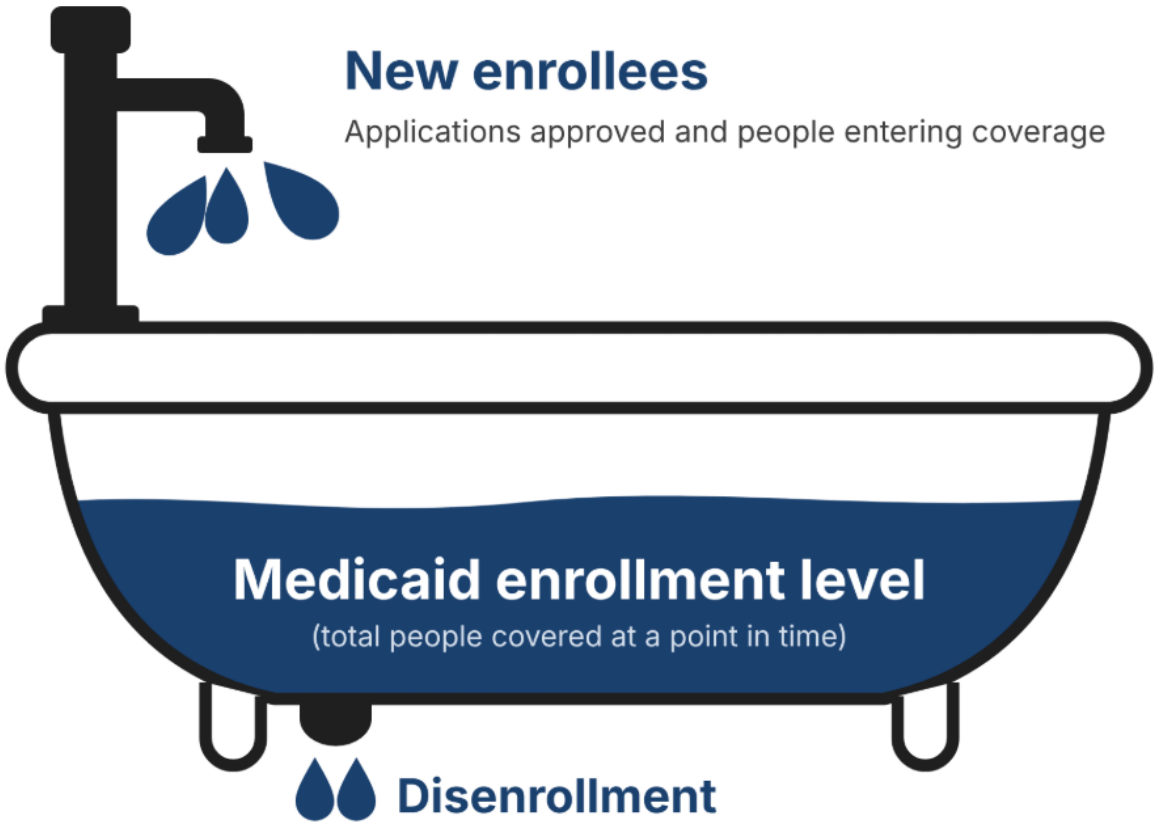
Analyzing Recent Changes in Medicaid Enrollment

5 Slide Series, Volume 141
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The Menges Group

Strategic Health Policy & Care Coordination Consulting

Introduction

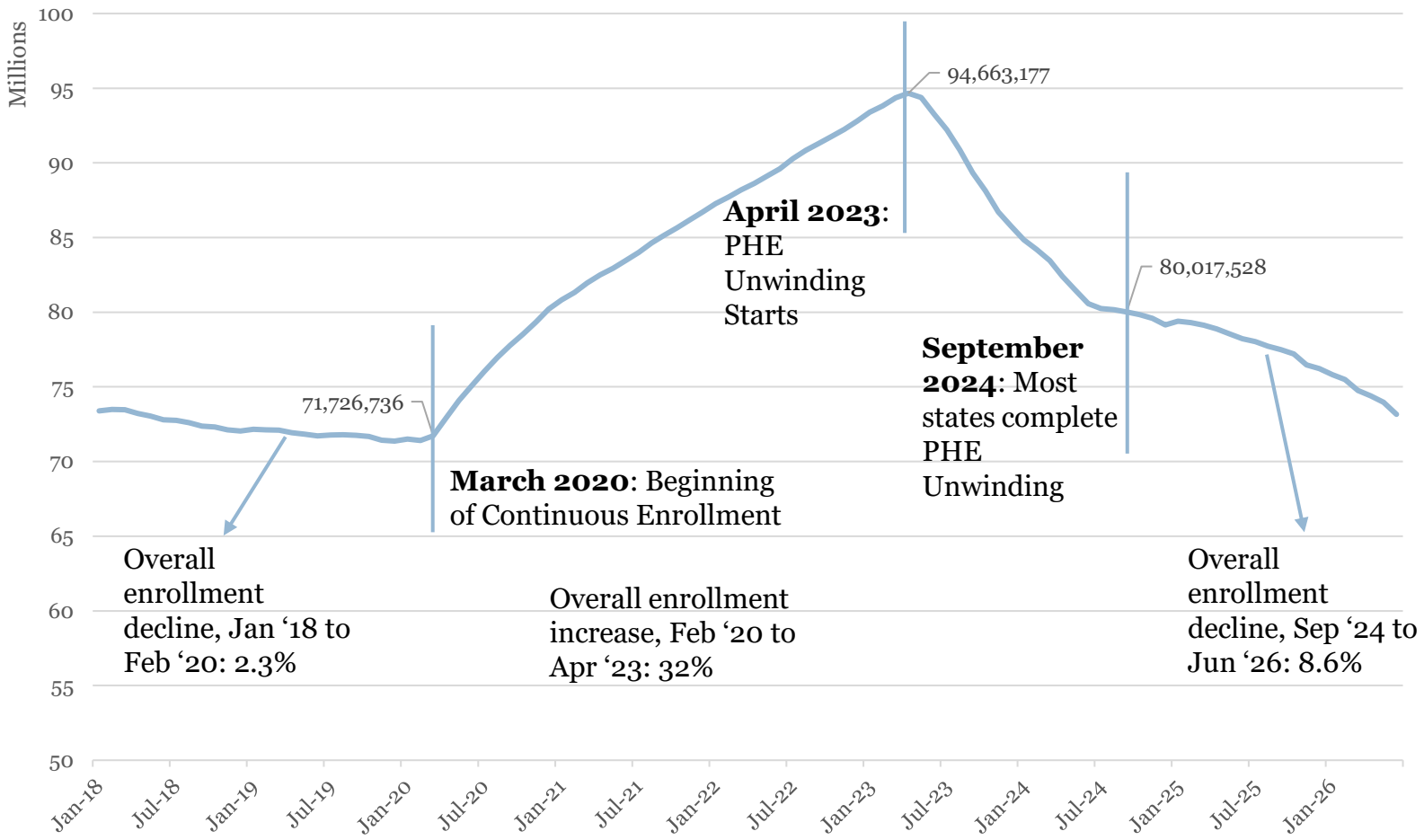


- Using the bathtub analogy, what is happening with the faucet – and with the drain – determines the water level. Medicaid enrollment levels at any point in time are shaped by a complex set of factors.
    - **Inflow:** Medicaid has a constant (but uneven) influx of new enrollees. Many dynamics affect the size of this inflow, including policies and processes for applying, policies and processes for reviewing/approving applications, and circumstances (income, health needs, childbirth, etc.) affecting a person's willingness to apply.
    - **Outflow:** Already enrolled persons must have their eligibility periodically redetermined to maintain Medicaid coverage. The timeframes and processes for these redeterminations -- and the willingness/ability of enrollees to complete the redetermination process -- all matter. At the individual level, employment, acquisition of other health coverage, relocation, and death all affect Medicaid's disenrollment levels.
- This edition of the 5 Slide Series quantifies recent Medicaid enrollment trends, focusing on recent years after the COVID-19 Public Health Emergency (PHE) unwinding process was completed.

Key Findings

- Medicaid enrollment dropped by almost 7 million (9%) between September 2024, when most states completed unwinding, and June 2026, with most of the decline occurring after June 2025.
- The recent decline in Medicaid enrollment occurred even as the unemployment rate has remained steady at approximately 4.2% — above the pre-pandemic unemployment rate of 3.8%.
- The decline occurred in nearly every state and in nearly every month. Between January and June 2026, an average of 42 states saw Medicaid enrollment fall from the prior month, peaking at 48 states and D.C. between May and June.
- This decline in Medicaid enrollment comes on the eve of implementation of H.R.1 provisions, which are widely expected to result in a further drop in Medicaid enrollment.
- Notwithstanding all the recent declines, Medicaid enrollment as of June 2026 was slightly above the level at the outset of COVID-19 (February 2020).

Changes in Overall Medicaid Enrollment 2018-2026

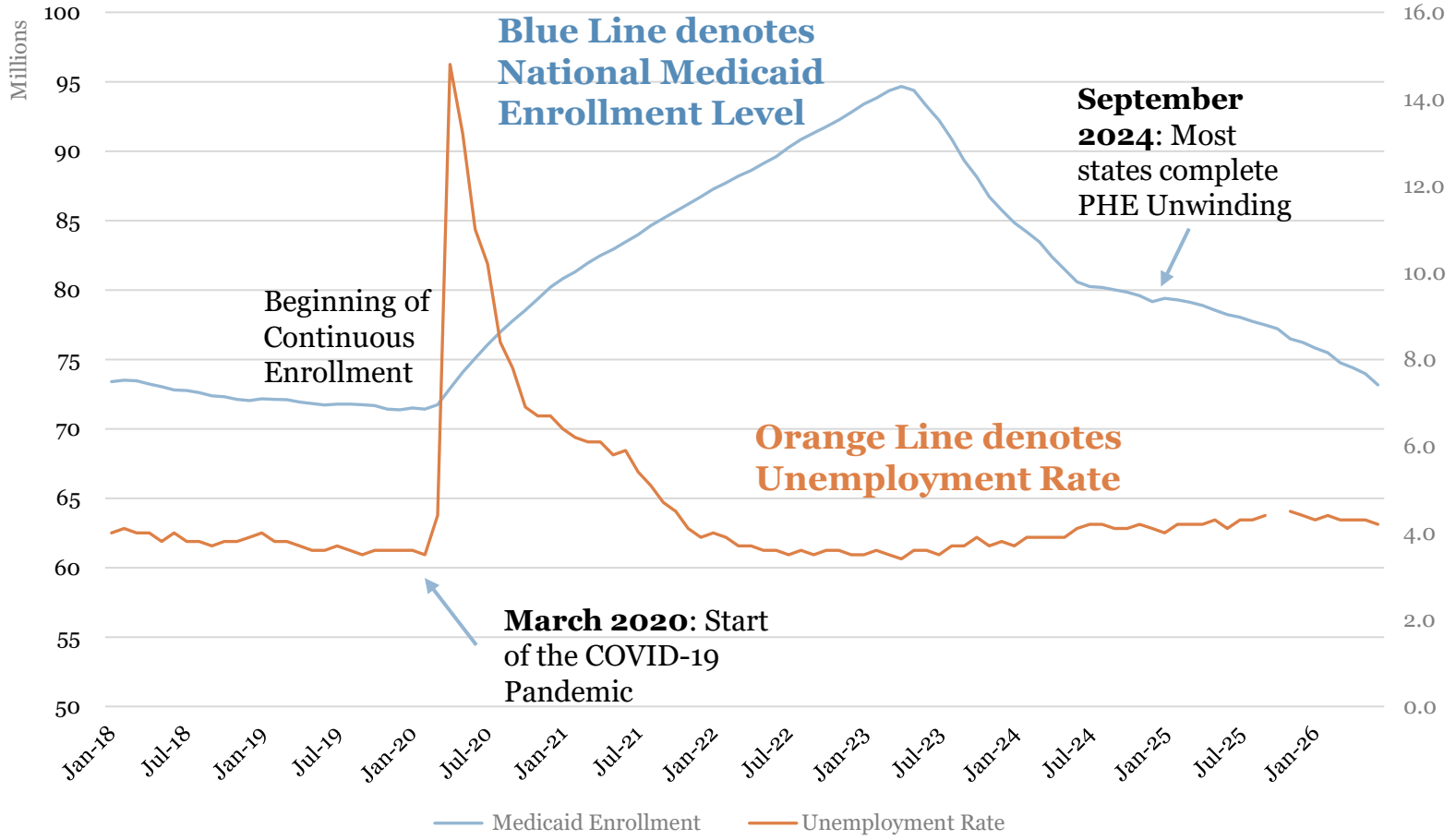


The overall enrollment decline post-unwinding is 8.6%.

This includes a 2% decrease from September 2024 to June 2025, then an accelerated decline of 6% between June 2025 and June 2026.

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Medicaid Enrollment vs. Unemployment Rate 2018-2026



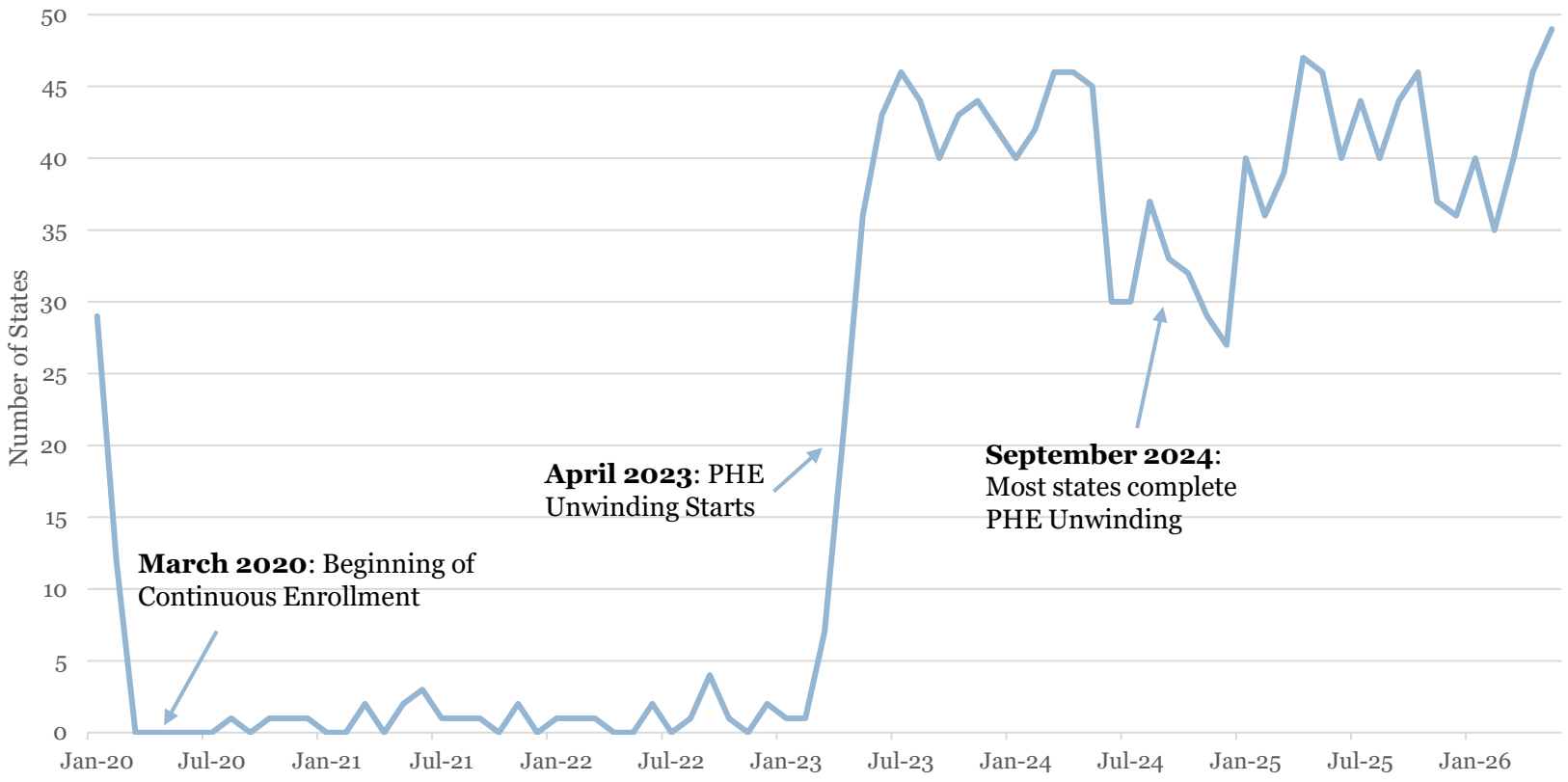
*The unemployment data for October 2025 is not available due to the federal government shutdown.

Since the completion of PHE Unwinding, Medicaid enrollment has been declining even as the unemployment rate has remained steady.

The countercyclical nature of the Medicaid program would suggest a decline in enrollment only with a decline in unemployment, however, that principle is not borne out in the recent enrollment data.

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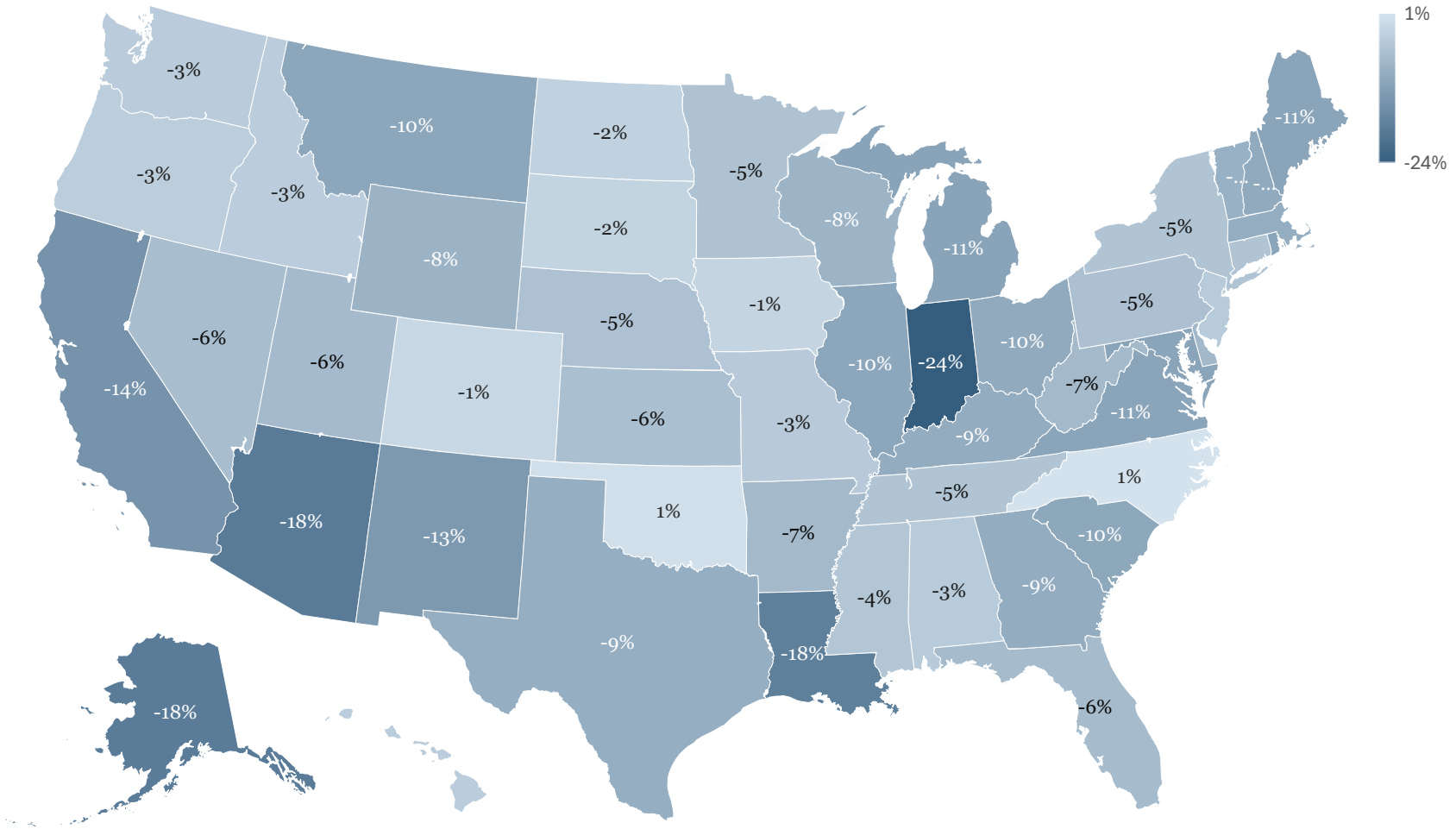
Number of States with Declining Medicaid Enrollment by Month, March 2020- June 2026



On average, between January and June of 2026, 42 states experienced a Medicaid enrollment decline compared to the prior month's level. Between May and June, decreases occurred in 48 states (and D.C.).

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Percent Change in Enrollment by State from September 2024 – June 2026



The overall decline in national Medicaid enrollment is 8.6% from September 2024 to June 2026.

Indiana experienced the largest decline in enrollment at 24%, while two states, North Carolina and Oklahoma, have seen a 1% increase in enrollment.

Enrollment Decline in Medicaid Expansion and Non-Expansion Populations

- Although overall Medicaid enrollment data are available through June 2026, the breakdown of enrollment in expansion and non-expansion groups is only available through June 2025.
- In the Medicaid expansion population, the rate of enrollment decline between January 2018 and March 2020, before the onset of the COVID-19 PHE, was 1.83%. This rate has remained steady at 1.92% from September 2024 to June 2025, following the completion of the unwinding. It is possible that this rate is steeper after June 2025, however, due to data limitations, we cannot examine this possibility.
- In the non-expansion population, the rate of enrollment decline between January 2018 and March 2020 was 2.44% and has remained relatively the same at 2.35% from September 2024 to June 2025 post-unwinding.

Potential Factors Impacting Recent Medicaid Enrollment Trends

- In February 2025, CMS reduced funding for the ACA Navigator program by 90%. Navigators help individuals not only by providing information about ACA Marketplace plans and Medicaid, but also by assisting them in enrolling in Medicaid if they are found ineligible for a Marketplace plan. Funding cuts to this program could have contributed to the decline in Medicaid enrollment.
- After June 30, 2025, several 1902 (e)(14) waiver authorities expired that CMS had granted to states to help conduct renewals during the Unwinding, such as delaying procedural disenrollments to conduct targeted beneficiary outreach. The sunsetting of these waiver flexibilities coincides with the acceleration of the Medicaid enrollment decline observed after June 2025.
- In July 2025, CMS estimated that 2.8M people were enrolled in Medicaid in more than one state (about 1.2M a month) or in both Medicaid and a subsidized Marketplace plan (about 1.6M a month). CMS sent states lists and told them to recheck eligibility. CMS has not published how many people were removed related to this effort, however, it could have contributed to the enrollment decline speed-up that occurred after mid-2025.
- Certain state policies, such as Indiana's, which saw the largest decline in enrollment during the post-unwinding period, were enacted in July 2025 and allow for more frequent eligibility evaluations. These state-level policies could be contributing to a drop in enrollment.
- There is some anecdotal data about fear among mixed immigration status families that can be contributing to the decline in Medicaid enrollment, especially in child Medicaid enrollment.

Sources

- Slides 2-8
  - https://www.medicaid.gov/medicaid-and-chip-eligibility-operations-and-enrollment-snapshot
  - https://www.medicaid.gov/medicaid/national-medicaid-chip-program-information/medicaid-chip-enrollment-data/medicaid-enrollment-data-collected-through-mbes
- Slide 9
  - https://www.google.com/goto?url=CAESiAEB6zswFd6gTm4SMvlDRsxgPPj0m0qm57k5HdR6yo7VQNVjJeJgHmlizRNpMtyh2UWVeEHI5Mbe5tMuRkRiN4EENOpVfl1tC-nH6a0iEZZwF_V0hLVrOg2NqGyVfnlkwx3kStTvvYLKl4i5gBxSgTg9HQrD_7yRthT3KJN9qY_LR1Mf9QMVdyMz
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  - https://indianacapitalchronicle.com/2026/08/03/lives-are-compromised-inside-indianas-medicaid-enrollment-decline/

5 Slide Series Overview

Our 5 Slide Series is typically a monthly publication whereby we briefly discuss/address a selected topic outside the confines of our client engagements. The Menges Group has developed a variety of datasets that we use to support our 5 Slide Series and client projects.

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