Recent and Upcoming District Health Coverage Changes

Biweekly DHCF Eligibility Meeting

Department of Health Care Finance

April 22, 2026

Presentation Overview

- **Recent Medicaid and Alliance Program Changes**
- One Big Beautiful Bill (OB3) Eligibility Changes
- New: Renewal Resource Changes
- Outreach and Next Steps
- Q&A

Local Realities and Federal Actions are Leading to Changes to Medicaid That Will Be Implemented Between Now and January 2027

- Locally, changes in the District's revenues, increasing costs of health care, and increasing Medicaid enrollment challenge Medicaid program sustainability
  - Coverage options changing for some adults currently eligible for Medicaid
- Federally, the One Big Beautiful Bill Act (OB3) includes significant changes to the Medicaid program in the future, including:
  - Changes to eligibility for some legal immigration statuses (starting October 2026)
  - Work requirements for some adults enrolled in Medicaid (effective January 2027)
  - More frequent eligibility checks for some adults enrolled in Medicaid (effective January 2027)
  - Changes to retroactive Medicaid coverage (effective January 2027) and more...
- More details about these changes will be provided today

As of January 1, 2026, Many Adults Are No Longer Eligible for Medicaid

- Eligibility changes made effective January 1, 2026:
  - **No** changes to financial eligibility for Children (0-20), pregnant individuals, SSI individuals, those in the Aged, Blind and Disabled (ABD) group, or participating in long term care.
  - Effective January 1, 2026, the eligibility threshold for Parent/Caretaker Relatives and Childless Adults decreased to 138% FPL.
  - **Adults over this threshold have been disenrolled** from Medicaid effective December 31, 2025.
  - **These adults were sent an adverse action notice** in early December. An informational notice went to impacted individuals in early September.
  - Healthy DC Plan enrollment notices were sent to many transitioning adults on November 1.

Category	Current Childless Adult (Ending 12/31/2025)	Current Parent or Caretaker (Ending 12/31/2025)	**New** Childless Adult and Parent/ Caretaker (Effective 1/1/2026)
Threshold in Federal Poverty Level (FPL)	210% + 5% disregard	216% + 5% disregard	133% + 5% disregard
1 person household, monthly	$2,806	$2,884	$1,800
2-person household, monthly	$3,790	$3,896	$2,432
3-person household, monthly	$4,775	$4,908	$3,065
4-person household, monthly	$5,762	$5,923	$3,697

As of January 1, 2026, Many Adults Are No Longer Eligible for Medicaid…And Most Became Eligible for the New Healthy DC Plan

- Options for coverage are available through the DC Health Benefit Exchange (DCHBX)
  - Most adults no longer eligible for Medicaid will qualify for the Healthy DC Plan
  - The remaining adults will be eligible for a Qualified Health Plan
- The Healthy DC Plan is a new option administered by DCHBX and offers no cost coverage to eligible adults
  - Many services covered by Medicaid are included except for non-emergency transportation, dental and vision coverage, long-term services and supports, and some community-based mental health and SUD services
  - About 15,000 Residents disenrolled from Medicaid and eligible for Healthy DC Plan were automatically enrolled for coverage starting January 1
- Residents can find more information regarding the Healthy DC Plan and can set up new accounts to manage their benefits at: www.HealthyDCPlan.com

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- Information on Recent Medicaid and Alliance Program Changes
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DHCF Aims to Implement Eligibility Changes as a Result of Federal Legislation in a Customer Forward and Transparent Way

- Forthcoming changes we cover below are as a result of federal legislation in the One Big Beautiful Bill Act (OB3) are significant – spanning policy, operations, and outreach

- DHCF recognizes there are other program changes occurring as a result of federal legislation this year and we are collaborating with our sister agencies, including a presentation on SNAP today

- There has been limited guidance to date from CMS and a Rulemaking is not due until June 1, 2026, which means what may not have answers to all your questions and there may be changes to what we expect
  - We will highlight changes in this meeting as we learn of them

- DHCF intends to provide outreach and engagement materials like we did for the Public Health Emergency Unwinding/Medicaid Renewal
  - Communications Toolkit
  - Advertising campaign
  - On the ground outreach (participation in health fairs, other city events, etc.)
  - Attend your event or train your team

DHCF Aims to Implement Eligibility Elements in a Customer Forward and Transparent Way

- Over the coming months, our focus is on the eligibility changes occurring between now and January 1, 2028
  - Overview of OB3 elements
  - Highlight policy decisions made by DHCF

- Generally, DHCF's work is focused on:
  - District Direct system design and implementation
  - Defining how exemptions work within Medicaid work requirements
  - Developing outreach and engagement plans
  - Redesigning application and renewal requirements to accommodate these changes
  - Training District staff, residents, and stakeholders on new requirements

- Going forward, OB3 updates & issues for discussion will be a standing item on this meeting's agenda

Changes to Medicaid Will Roll-Out Over the End of 2026 and Beginning of 2027

- **October 1, 2026:** Some persons with legal immigration statuses will lose coverage

- **January 1, 2027:**
  - Some adults will have to show work, volunteer or school hours ("the work
  - requirement") to be eligible for Medicaid
  - Some adults will have to recertify their eligibility every 6 months to keep Medicaid
  - Medicaid retroactive coverage will change from 3 months to either 2 months or 1 month
  - DHCF will allow for the deduction of moving expenses for eligibility for some people
  - DHCF will be required to take action to reduce duplicate or deceased enrollment

- **January 1, 2028:**
  - DHCF will cap the home equity allowed for eligibility from long term services and supports at $1 million

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Change: More DHCF Beneficiaries May Receive Inquiries About Resources at Renewals

- Most Non-MAGI eligibility categories in Medicaid have an Asset/Resource limit of $4,000 for one person/ $6,000 for a couple if both are applying
- Assets/Resources are things like cash, money in bank accounts or retirement accounts, stocks and bonds, cash value of life insurance policies, other investments.
  - The value of your primary home, a car, home furnishing, clothing and jewelry are not counted towards the $4,000 resource limit.
- DHCF always checks for Asset/Resource amount at application for Non-MAGI and caseworkers trigger *manual* Asset/Resource checks at renewal for certain Non-MAGI populations
  - Asset/Resource verification at renewal was waived during the PHE and Unwinding.
- <u>Change in May 2025</u>: The District will automate Asset/Resource checks at renewal, so more residents enrolled Non-MAGI categories may be asked to verify that they meet resource limits upon recertification.

Change: DHCF Will Check Electronic Asset/Resource Information to Passively Renew Beneficiaries

- *New Automated Process*
  - DCAS will automatically look-up electronic data sources to verify eligibility factors for ABD/LTSS renewal 90 days prior to the certification end date.
  - DCAS system will include Asset Verification System (AVS) in the polling process (90+ days prior to certification end date) to ensure a reasonable compatibility check is completed with regard to Assets/Resources.
  - DCAS will complete a compatibility check for ABD/LTSS cases at renewal initiation, then if the compatibility check for assets/resources fails (or any eligibility factor) fails, then a non-passive renewal form will be triggered.

- *What to Know*
  - If you're working with a resident who receives a notice that they may be over resources because of AVS information, the notice will likely include the name of the financial institution, the last 4 digits of the account number, and the amount in the account.
  - **The resident can submit a statement or account summary documents to contest the District's asset/resource finding**

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DC Medicaid Has Multiple Ongoing Methods of External Outreach And Wants to Join Your Meetings Too!

- For a full overview of the FY27 budget as it pertains to DHCF, you can attend tonight's Medical Care Advisory Committee (MCAC) at 5:30 pm

- DC Medicaid is hosting regular Biweekly DHCF Eligibility Meetings such as this every 2 weeks- continuing every other Wednesday at 2:30 pm and **next is Wednesday, May 6, 2026**.
  - Please email *Medicaid.renewal@dc.gov* to join the meetings and related mailing list if not on it already

- DC Medicaid is holding monthly Resident-Focused Eligibility Meetings the last Friday of every month– the next is this week at **6:30 pm this Friday, April 24, 2026.**

- DC Medicaid is starting monthly District Direct (DCAS) Trainings for Human Services Benefits at 12:30 pm on Tuesdays designed for stakeholders and anyone helping others with eligibility– the next one is **Tuesday, May 19, 2026**.

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Questions and Comments

Learn more about Alliance and Medicaid Program Changes: https://dhcf.dc.gov/Alliance-Program-Changes and https://dhcf.dc.gov/medicaid-program-changes

Contact DHCF on Eligibility Issues: Medicaid.Renewal@dc.gov

For Assistance Navigating Health Care in DC: Office of the DC Health Care Ombudsman and Bill of Rights: 202-724-7491

For information on your benefits or to take action: Public Benefits Call Center, 202-727-5355

For Providers Navigating the New MMIS Transition to Gainwell: The Provider Services number is 866-752-9233' the Web Portal Services number is 866-407-2005. Email dcprovideringuiry@gainwelltechnologies.com with any inquiries

For information on your Healthy DC Plan or Marketplace coverage or to take action: DC Health Link Contact Center, (855) 532-5465