Upcoming District Health Coverage Changes

Biweekly DHCF Eligibility Meeting

Department of Health Care Finance

June 17, 2026

Presentation Overview

- **One Big Beautiful Bill (OB3) Eligibility Changes Overview**
- Refresher: Medicaid Qualified Immigration Status Changes
- New: Work Requirements and Changes in the Interim Final Rule
- Outreach and Next Steps
- Q&A

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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

- There could still be changes or clarifications to federal guidance even after the Interim Final Rule
  - We will highlight changes in this meeting as we learn of them

- The District recently initiated a contract with a communications vendor (Market Me Consulting LLC) for services related to OB3 eligibility advertising, outreach, messaging, and related tasks

- 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

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 Medicaid 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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OB3 Imposes Restrictions on Some Non-Citizens Eligible for Medicaid, Pending Federal Guidance and Injunctions

- Non-Citizen Eligibility Changes - Effective 10/1/26
  - Definition of "Qualified Alien" eligible for Medicaid benefits and ACA Tax Credits amended to only include Lawful Permanent Residents (LPRs), certain Cuban and Haitian immigrants, and Compact of Free Association (COFA) migrants.

  - **What to Know**:
    - CMS provided written guidance clarifying that Lawful permanent residents (LPRs); Cuban-Haitian entrants; and Compact of Free Association (COFA) migrants are available for full-scope federal financial participation.
      - This means Medicaid eligibility ends for certain populations such as refugees, humanitarian parolees, asylum grantees, certain abused spouses and children, trafficking victims, people granted conditional entry prior to 1980, individuals granted withholding of Deportation, and Amerasian entrants –*unless they gain a qualifying immigration status*

Noncitizen Eligibility Changes (Current and Future Groups)

Groups Covered	Currently Covered?	Starting October 1, 2026
U.S. Citizens	✓	✓
Lawful Permanent Residents (LPRs) aka Green Card Holders who meet the 5-Year Bar*	✓	✓
Cuban/Haitian entrants	✓	✓
Members of federally recognized tribes, COFA migrants, etc.	✓	✓
Refugees/Asylees	✓	☒
Victims of Trafficking	✓	☒
TPS and DED holders	✓	☒
Individuals paroled into the U.S. for at least one year	✓	☒

*Note: There are some exceptions to the LPR groups. For example, LPR generally face a 5-year waiting period before Medicaid eligibility, **however,** LPRs here under 5 years who are also refugees or asylees may access Medicaid without waiting if you hold LPR status.

Noncitizen Eligibility Changes Do Not Pertain to Children Under 21, Pregnant Women, and Emergency Medicaid

Additional impacts beginning October 1, 2026:

- **Children under age 21 and pregnant women who are lawfully residing in the U.S. without meeting the five-year waiting period will continue to be eligible.**

- Currently, **District does not expect impact to the FCEP/Unborn Child eligibility category**, but we are awaiting additional guidance from CMS on FCEP/Unborn impact of this OBBBA provision, if any

- **Emergency Medicaid:** If you no longer qualify for Medicaid due to your immigration status after October 1, 2026, you can still get help for medical emergencies.

District and Federal Implementation of Noncitizen Eligibility Changes

Changes to District Eligibility Systems and Federal Information Hubs

- States and the District verify immigration status electronically by querying federal data hubs (SAVE, Hub VLP). Federal government is pursuing changes to these data hubs to improve Medicaid agencies' ability to determine an applicant's/enrollee's lawful presence
- DHCF is making corresponding changes to DCAS to receive new information from these federal data hubs

DHCF May Need Additional Information from Some Enrollees

- This Summer, DHCF is sending an informational notice to enrollees who may be impacted by the October 'noncitizen eligibility' changes
- DHCF may need some residents to send updated verification of their immigration status if: 1) the resident has had a recent change to their immigration status; or 2) the District is unable to determine the individual's immigration status electronically

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CMS Released the Interim Final Rule on Work Requirements on June 1 and Analysis is Ongoing

- As required in OB3 legislation, the Centers for Medicare and Medicaid Services (CMS) released an Interim Final Rule on work requirements on June 1
  - Public Comments are open and the Rule can be changed before it is final

- DHCF is still analyzing the Rule but will provide an initial overview of some key provisions today

- DHCF is working to implement work requirements by January 1, 2027
  - Needs a Rulemaking, a State Plan Amendment, changes to its operating system, training for service workers and eligibility staff, and changes to processes in application review
  - DHCF is required to provide formal notice to those affected
  - DHCF hired a contractor to coordinate a communications campaign that also includes SNAP work requirements and other OB3 eligibility changes

Reminder: Work Requirements Do Not Apply to Everyone That Has Medicaid Coverage

- Medicaid **work requirements do not apply to:**
  - Children 18 or younger
  - Any Adult 64 and older
  - Adults enrolled in waiver programs like Elderly and Persons with Disabilities Waiver, Services My Way, the Individuals with Developmental Disabilities Waiver, or the Individual & Family Support Waiver
  - Adults who are disabled or have a health condition qualifying them for Medicaid (non-MAGI)
  - Adults in Long Term Institutional Care, like Nursing Facilities and Intermediate Care Facilities
  - Adults in the Program for All-Inclusive Care for the Elderly (PACE)

  Those not affected are estimated to be just over 3/4 of current Medicaid enrollees (78%)

- **Work requirements do apply to**:
  - The Medicaid expansion population, meaning Adults (aged 19-64) without dependent minor children (i.e. not disabled, not pregnant, not enrolled in one of the waiver programs, in institutional care or in PACE, etc.)

  This is estimated to affect around ¼ of current Medicaid enrollees (22%)

Reminder: Individuals Can Comply With Work Requirements Through 80 Hours of Work or Community Service in a Month, Half Time Educational Enrollment, More

- The new Law requires states to condition Medicaid eligibility for adults in the Affordable Care Act (ACA) Medicaid expansion group at application and following enrollment on meeting work requirements starting January 1, 2027

- An individual who is subject to work requirements can demonstrate compliance with work requirements for a one-month look back period if they meet one or more of the following criteria:
  - Work at least 80 hours
  - Complete at least 80 hours of community service
  - Participate in a work program for at least 80 hours
  - Is enrolled in an educational program at least half-time
  - Engage in any combination of the above for at a total of at least 80 hours
  - The individual has a monthly income that is not less than the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act of 1938, multiplied by 80 hours.
    - *For a household of one, someone earning near the District Living Wage could work ~33 hours a month and earn this amount*
    - This amount is equal to roughly 44% of the FPL for a household of one
  - The individual had an average monthly income over the preceding 6 months that is not less than the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act of 1938 multiplied by 80 hours, ***and*** is a seasonal worker

Reminder: Exempted Individuals Include Medicare, Foster Care, American Indians, Disabled Veterans, Medically Frail Individuals

- Many Medicaid populations are not subject to Medicaid Work Requirements through exemptions in statute
  - If exempted, the individuals won't be subject to work requirements (no need to fill out information, no "look back" period

- <u>Exempted Individuals</u>:
  - QMB Enrollees
  - Individuals who are Pregnant or Postpartum
  - Individuals who are already compliant with SNAP/TANF Work Requirements
  - Parent/Caretaker Relatives of a disabled child or a child 13 years or younger
  - Enrolled in or entitled to Medicare Part A benefits, or enrolled in Medicare Part B
  - Enrolled or eligible for Medicaid as a current or former foster care youth
  - American Indians and Alaskan Natives who are eligible to receive services via the Indian Health Service
  - Veterans with a disability rated as total under section 1155 of title 38, United States Code
  - Individuals who are medically frail (more detail and new info on a following slide) in a way that <u>significantly impacts</u> their ability to meet work requirements including an individual:
    - ✓ Who is blind or disabled (as defined in section 1614);
    - ✓ With a substance use disorder;
    - ✓ With a disabling mental disorder;
    - ✓ With a physical, intellectual or developmental disability that significantly impairs their ability to perform one or more activities of daily living; or
    - ✓ With a serious or complex medical condition

Reminder: Some Exceptions Include Those in Rehab, Who Received Inpatient Hospital Services, Those Traveling for Medical Reasons

- For those subject to work requirements, States *may allow for individuals who request such an exception* to be considered as having met the community engagement requirement for a month if they have experienced a short-term hardship event during the 1 month look back period
  - This must be during the look back period, not in the month of application

- These events include:
  - ➢ The individual receives inpatient hospital services, nursing facility services, services in an intermediate care facility for individuals with intellectual disabilities, inpatient psychiatric hospital services, or such other services of similar acuity (including outpatient care relating to other services specified in this subclause), as the Secretary determines appropriate (new information from the IFR available)
  - ➢ The individual resides in a county with an emergency/disaster declared by the President or a high local unemployment rate:
    - ✓ Permits states to request exemptions for individuals who reside in counties that have unemployment rates at or above 8% or below 8% but 1.5 or more times the national average unemployment rate.
  - ➢ The individual or their dependent must travel ***outside of their community*** for an extended period of time to receive medical services necessary to treat a serious or complex medical condition that are not available within their community of residence.

Compliance With Work Requirements Must Be for One Month of the Eligibility Verification Period for Those Enrolled or Applying

For currently enrolled applicable individuals:

- The District will require that currently enrolled individuals subject to work requirements meet them for **one** month during the individual's most recent eligibility determination and redetermination of eligibility.

For new applicants:

- The District will "look back" **one** month prior to the month of application Medicaid to see if they met work requirements:
  - CMS directs states to use reliable information available to them (e.g. payroll data, payments, Medicaid claims, and encounter data) for verifying community engagement and exemptions

Reminder: Enrollees Found Not to Meet Work Requirements Get a Notice of Noncompliance and 30 Days to Address Before Termination

- If the District is unable to verify that an applicable individual has met the requirement to demonstrate community engagement, we will:
  - Provide the individual with the notice of noncompliance and give them 30 calendar days from to demonstrate compliance or that the requirement does not apply to them.
    - During this 30-day period, if the individual is already enrolled in Medicaid, they will continue to be enrolled.
  - If the individual cannot demonstrate compliance:
    - The District will deny their application; OR
    - Terminate current enrollment, no later than the end of the month following the month in which the 30-day period ends (two months after noncompliance notice).
  - Prior to termination the state must determine if the individual is eligible for medical assistance under the State plan (or waiver of such plan) or for another insurance affordability program.

Reminder: Outreach Standards Include Notices to Beneficiaries with Specific Standards on How to Complete Engagement Requirements

- Prior to the implementation of the community engagement requirement (and periodically thereafter) states must notify applicable individuals enrolled in Medicaid expansion about the requirement, including:
  - How to comply with the requirement, including an explanation of the exemptions
  - The consequences of noncompliance with such requirement; and
  - How to report to the state any change in the individual's status that could result in exceptions or the end of a previously established exception.

- States must notify individuals:
  - By regular mail (or, if elected by the individual, in an electronic format); and
  - In one or more additional forms, which may include telephone, text message, an internet website, other commonly available electronic means, and such other forms as the Secretary determines appropriate;
  - States must begin outreach to notify individuals of the new requirements at least three months before the start of the first compliance "look-back"
    - ✓ District must perform outreach by September 2026 according to preliminary guidance

Summary of Questions and Concerns Raised by the IFR

- The Interim Final Rule requires that those who have a qualifying condition for the medical frailty exemption also have the condition "significantly impact" their ability to comply with work requirements
  - This raises questions about whether a diagnosis on its own is sufficient to determine someone is exempt from work requirements for the reason of medical frailty.
- For 2027, self-attestation for medical frailty and other exemptions is still permissible
  - Burden potentially increases in 2028 when self-attestation can no longer solely be accepted as proof of medical frailty and the District may have to request additional proof/documentation of medical frailty (where electronic information is not available).
- The Interim Final Rule seems to deny states the ability to use data on inpatient/other medical stays to allow for automatic grant of exceptions for short term hardships and requires that residents first request to be excepted.
- DHCF and other States are seeking guidance and clarification from CMS on many aspects of IFR. Our analysis of the IFR and its impacts is ongoing.

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

- DC Medicaid is hosting <u>regular Biweekly DHCF Eligibility Meetings such as this every 2 weeks</u>- continuing every other Wednesday at 2:30 pm and the **next is Wednesday, <u>July 1, 2026</u>**.
  - Please email *Medicaid.renewal@dc.gov* to join the meetings and related mailing list if not on it already

- DC Medicaid is holding <u>monthly Resident-Focused Eligibility Meetings</u> the 4th Friday of every month– the next is at **<u>6:30 pm Friday, June 26, 2026.</u>**

- DC Medicaid is holding <u>monthly District Direct (DCAS) Trainings for Human Services Benefits</u> at 12:30 pm the 3rd Tuesday every month designed for stakeholders and anyone helping with eligibility– the next one is **<u>Tuesday, July 21, 2026</u>**.

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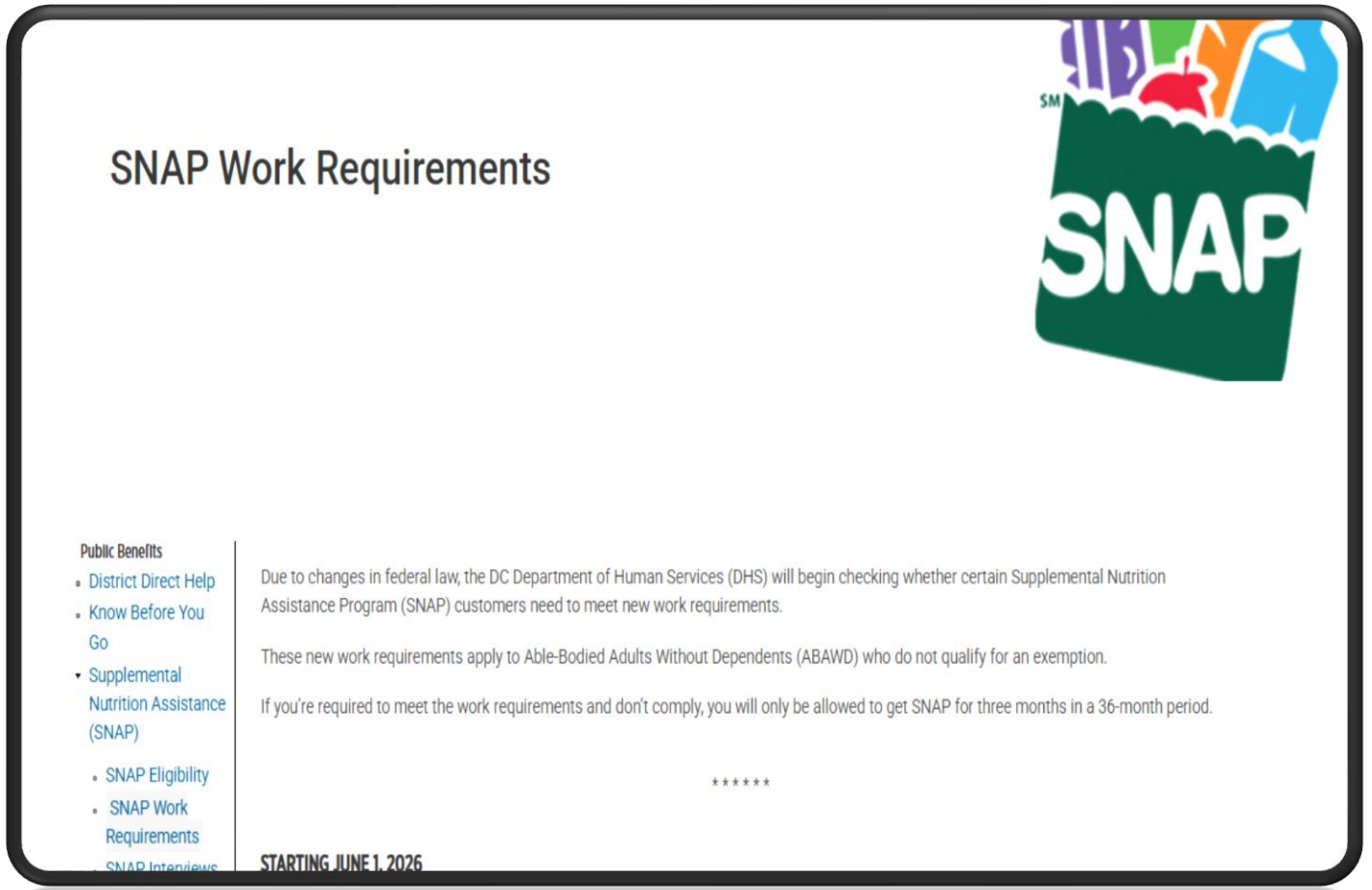
Reminder: SNAP Work Requirement Rules

New SNAP work rules are here, starting on June 1. Find out if you need to work to keep your food stamps.

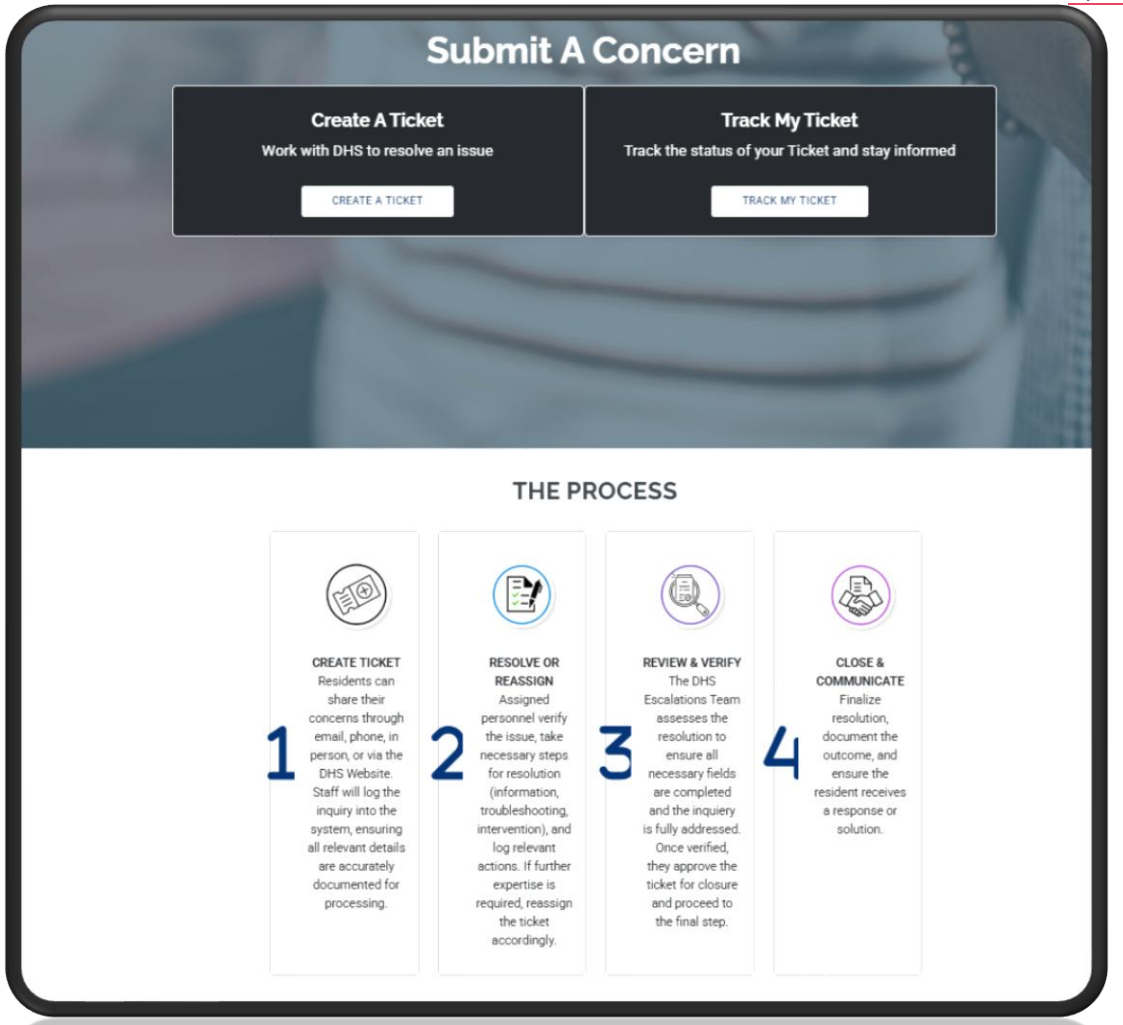
Visit https://dhs.dc.gov/page/snap-work-requirements to see if the new SNAP work rules apply to you or if you are excused. You can also download important reporting forms and read our Frequently Asked Questions (FAQs) for quick answer.



Identify the Issue, Submit a Ticket and Fix the Gap

Need help with your DC benefits?

If you have a problem with your SNAP, TANF, or Medicaid, do not wait. Go online to https://dhs-asks.dc.gov/ and click "Create a Ticket." A helpful worker will look into your issue and contact you with answers. It is fast, easy, and helps you stay covered!



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