District Health Coverage Changes in 2025: Alliance and Medicaid

Biweekly DHCF Eligibility Meeting

Department of Health Care Finance

December 17, 2025

Presentation Overview

- **Information on Medicaid and Alliance Program Changes**
- What's New This Week
- 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 qualified alien definition (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...

On January 1, 2026, About 18,000 Adults Will No Longer Be Eligible for Medicaid

- Eligibility changes 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 will decrease to 138% FPL.
  - **Adults over this threshold will be disenrolled** from Medicaid effective December 31, 2025.
  - **These adults were sent an adverse action notice** this week. 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

On January 1, 2026, About 18,000 Adults Will No Longer Be Eligible for Medicaid

- Generally, adults (without dependent children in a household of one) with incomes around $1,800 / month or more will no longer be eligible for Medicaid based solely on their income
- Parents and Caretaker Relatives (in a household with two adults & two children) making around $3,700 / month or more will no longer be eligible
- Single Adults and Parents above these limits with Medicare can still have Medicaid pay monthly Medicare premiums and cost sharing under QMB program but will lose their eligibility for full Medicaid benefits.
  - DHCF will automatically transition these individuals to QMB-Only coverage on January 1, 2026.
- These Medicaid changes will also have an impact on Emergency Medicaid coverage in the District:
  - After January 1, 2026 the majority of adults (21+) will only qualify for Emergency Medicaid coverage if they are at or below 138% of the federal poverty level.
- DHCF is working with DCHBX to automatically transition currently enrolled Medicaid enrollees who will be losing coverage to alternative coverage options.

On January 1, 2026, About 18,000 Adults Will No Longer Be Eligible for Medicaid…And Most Will Become Eligible for the New Healthy DC Plan

- Options for coverage will be 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 will offer 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
  - Residents being disenrolled from Medicaid and eligible for Healthy DC Plan will be automatically enrolled for coverage starting January 1
- Residents can find more information regarding the Healthy DC Plan at: www.HealthyDCPlan.com

District Residents Shifting to the Healthy DC Plan Will Have to Start a New Online Account to Manage Benefits Online

- District Residents who will be moving to the Healthy DC Plan ***can use their District Direct Login and password on DCHealthlink.com to access Healthy DC Plan Information***
  - District Direct does **NOT** give access to information or allow residents to take action on Healthy DC Plan coverage but the District Direct login does work on DCHealthLink.com
- If a resident moving to Healthy DC Plan does not have a log in for either system, they can call 833-432-7526/TTY: 711 to create an online account.
- Please note: Residents with an active DC Health Link account will continue to access the site with their current login and password.

REMINDER: Health Care Alliance Program Eligibility Standards Changed on October 1, 2025

- Eligibility changes effective October 1, 2025:
  - Eligibility threshold for Adults decreased from 215% FPL to 138% FPL. **Adults over this threshold were disenrolled** from the Alliance Program effective September 30, 2025.
  - DHCF established an enrollment moratorium for new Alliance Adults who are age 26 and over.
    - Meaning if you are 26 or over at the date of application, **you are not eligible** to newly enroll in the Health Care Alliance Program after October 1, 2025; and
- Benefit changes effective October 1, 2025 –
  - Benefits for Adults will include primary care, generic-only prescription drugs, hospital services, emergency transportation, lab, and durable medical equipment. DBH provides locally-financed BH services to those who remain eligible. Coverage for Children will also include vision, dental, and podiatry
  - Reminder: Effective January 1, 2026 your prescriptions will be filled with generic medications instead of brand-name versions
- Delivery System changes effective October 1, 2025 –
  - Alliance became a fee-for-service only program

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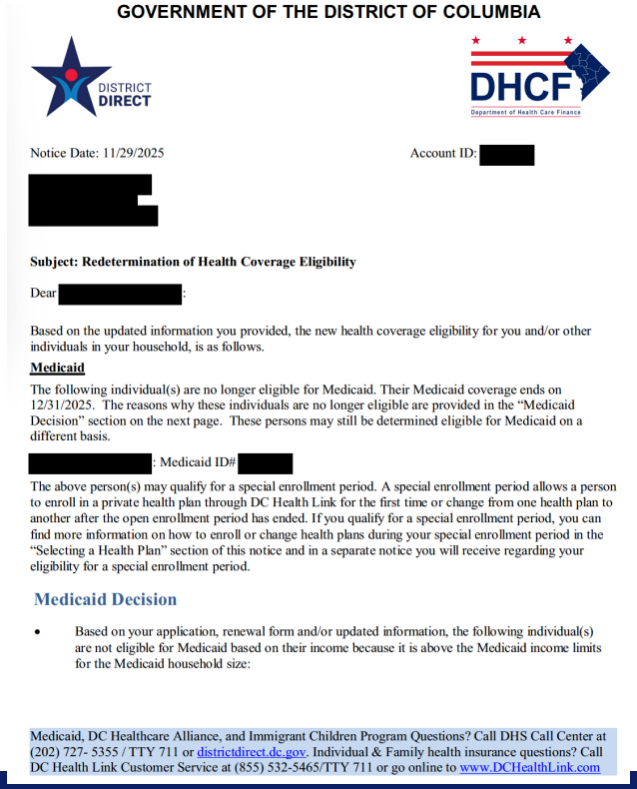
NEW THIS WEEK: DHCF Will Be Making DCAS System Changes for 1/1 Implementation on 12/27

- DHCF sent adverse action notices to those affected by Medicaid changes this month
- DHCF is implementing changes to DCAS on 12/27 in advance of the 1/1 implementation
- HBX is mailing a separate notice of enrollment in the Healthy DC Plan



GOVERNMENT OF THE DISTRICT OF COLUMBIA

DISTRICT DIRECT

DHCF
Department of Health Care Finance

Notice Date: 11/29/2025

Account ID: [redacted]

[redacted]

Subject: Redetermination of Health Coverage Eligibility

Dear [redacted]:

Based on the updated information you provided, the new health coverage eligibility for you and/or other individuals in your household, is as follows.

Medicaid

The following individual(s) are no longer eligible for Medicaid. Their Medicaid coverage ends on 12/31/2025. The reasons why these individuals are no longer eligible are provided in the "Medicaid Decision" section on the next page. These persons may still be determined eligible for Medicaid on a different basis.

[redacted]: Medicaid ID# [redacted]

The above person(s) may qualify for a special enrollment period. A special enrollment period allows a person to enroll in a private health plan through DC Health Link for the first time or change from one health plan to another after the open enrollment period has ended. If you qualify for a special enrollment period, you can find more information on how to enroll or change health plans during your special enrollment period in the "Selecting a Health Plan" section of this notice and in a separate notice you will receive regarding your eligibility for a special enrollment period.

Medicaid Decision

- Based on your application, renewal form and/or updated information, the following individual(s) are not eligible for Medicaid based on their income because it is above the Medicaid income limits for the Medicaid household size:

Medicaid, DC Healthcare Alliance, and Immigrant Children Program Questions? Call DHS Call Center at (202) 727- 5355 / TTY 711 or districtdirect.dc.gov. Individual & Family health insurance questions? Call DC Health Link Customer Service at (855) 532-5465/TTY 711 or go online to www.DCHealthLink.com

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REMINDER: DHCF is Conducting Outreach About Alliance and Medicaid Changes to Beneficiaries and Stakeholders

- **Direct Outreach to Impacted Beneficiaries:**
  - DHCF sent notice of disenrollment on 9/1/25 to Alliance adults (21+) who were impacted by the eligibility changes.
  - DHCF sent similar notices to those affected by upcoming Medicaid eligibility changes.
- Ongoing communications will be provided in the Biweekly DHCF Eligibility Meetings such as this– next is Wednesday, January 14, 2025 at 2:30 pm.
- DHCF established dedicated webpages related to these program changes that provides an overview of changes and answers Frequently Asked Questions at https://dhcf.dc.gov/Alliance-Program-Changes and https://dhcf.dc.gov/medicaid-program-changes

REMINDER: DHCF is Conducting Outreach About Alliance Changes to Beneficiaries and Stakeholders

- DHCF has shared information on the Alliance changes' scope in a Medicaid Director Letter
  - Find the Medicaid Director Letter at https://dhcf.dc.gov/node/1797736
- DHCF has provided a resource guide to assist stakeholders and DC government staff on Alliance program changes, including key messages, social media posts, emails, phone call scripts, FAQs, more
  - Find the Resource Guide at https://dhcf.dc.gov/sites/default/files/dc/sites/dhcf/service_content/attachments/2025-09-09_Alliance_Changes_Resource_Document.pdf
  - A similar Medicaid resource guide will be published this month!
- DHCF released Beneficiary FAQs and Provider FAQs on Alliance Changes in September, and a Pregnancy Eligibility FAQ in October
  - Find Beneficiary FAQs at https://dhcf.dc.gov/sites/default/files/dc/sites/dhcf/page_content/attachments/Alliance%20Program%20Frequently%20Asked%20Questions%20%28English%29.pdf
  - Find Alliance Provider FAQs at https://www.dc-medicaid.com/dcwebportal/documentInformation/getDocument/35671
    - The Provider FAQs were updated yesterday
  - Find the Pregnancy Eligibility FAQ at https://dhcf.dc.gov/sites/default/files/u23/Pregnancy%20Eligibility%20Frequently%20Asked%20Questions.pdf

NEW: DHCF Has Medicaid FAQs, a Resource Document, and a Medicaid Director Letter on its Website on Upcoming Changes to Medicaid

- DHCF will share out all information on Medicaid changes at https://dhcf.dc.gov/medicaid-program-changes
- DHCF shared the Medicaid Changes Resource Document last month:
  - Find the Resource Document at: https://dhcf.dc.gov/sites/default/files/dc/sites/dhcf/page_content/attachments/Medicaid%20Changes%20Resource%20Information.pdf
- DHCF shared information on the Medicaid changes' scope in a Medicaid Director Letter
  - Find the Medicaid Director Letter at https://dhcf.dc.gov/sites/default/files/dc/sites/dhcf/publication/attachments/MDL_25-02-Medicaid_PCR_and_CA_Income_Change_Eff_01_01_26_1.pdf
- DHCF released Beneficiary FAQs on Medicaid Changes
  - Find Beneficiary FAQs at https://dhcf.dc.gov/sites/default/files/dc/sites/dhcf/page_content/attachments/Medicaid%20Changes%202025%20Fact%20Sheet%20FAQ%2010.2025.pdf

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

- DC Medicaid wants to join meetings of key stakeholders to explain changes to Medicaid and Alliance
  - DHCF staff would attend meetings hosted by your stakeholder group -or that you know about –*send invites to us via email at Medicaid.renewal@dc.gov.*

- 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, January 14, 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 Friday, December 19, 2025.**

- 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, January 20, 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