

What Will Work Requirements Mean for Community Health Centers and Medically Underserved Communities?

Geiger Gibson Program in Community Health
June 10, 2026





Presenters:

Sara Rosenbaum, JD, Professor Emerita Health Law and Policy, Milken Institute School of Public Health, GWU

Hannah Katch, Founder and Principal Consultant, Katch Strategies

Jennifer Tolbert, MPH, MSW, Director, State Health Policy and Data, KFF

Amy Behnke, JD, Chief Executive Officer, Health Center Association of Nebraska

HR1 & Medicaid: Understanding the Interim Final Rule

Hannah Katch | June 2026

hannah@katchstrategies.com



KATCH
STRATEGIES
HEALTH POLICY CONSULTING

Agenda

- I. HR1 Overview: Key Medicaid Provisions
- II. June 2026 Interim Final Regulation
- III. Questions & Discussion

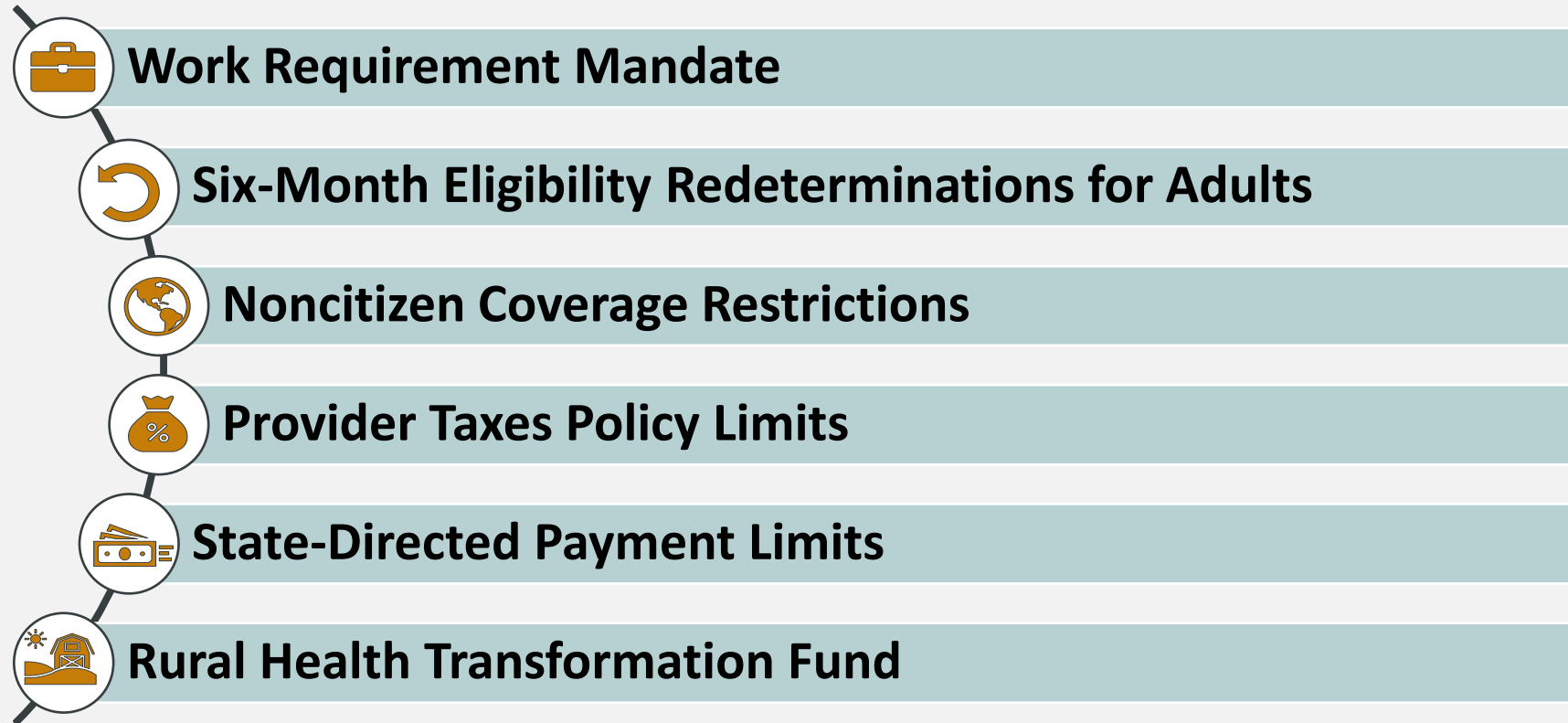


I. HR1 Overview:

Key Medicaid Provisions

H.R.1 Overview

Key Medicaid provisions



Work Requirement Mandate



Requires states to condition Medicaid eligibility for single adults and some parents ages 19-64 on working or volunteering for at least 80 hours per month or attending school at least half-time.



Mandates that states exempt certain adults, including parents with children ages 13 and under, those who are “medically frail,” and those who are participating in a substance use disorder treatment program, from the requirements.



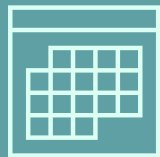
Requires states to verify that individuals applying for coverage meet the requirements for 1 and up to a maximum of 3 consecutive months preceding the month of application.



Additional Eligibility Changes



Requires states to conduct eligibility redeterminations every 6 months for Medicaid expansion adults.



Restrict retroactive coverage to one month prior to application for coverage for individuals enrolled through the Medicaid expansion and two months prior to application for coverage for traditional enrollees.



Restricts the definition of qualified immigrants for purposes of Medicaid or CHIP eligibility to Lawful Permanent Residents, certain Cuban and Haitian immigrants, COFA migrants lawfully residing in the US, and lawfully residing children and pregnant adults in states that cover them. This will exclude many refugees, asylees, and victims of human trafficking.



II. June 2026 Interim Final Regulation

Key Provisions



Medical frailty definition



Verification



Emergency declaration



Data reporting



Medically Frail Exemption Under H.R.1

Statutory Definition

H.R.1 exempts people from work requirements if they are medically frail, defined as those who have:

- Serious or complex condition
- Substance use disorder
- Disabling mental health condition
- Disability

Final Rule Restrictions

The final rule adds important restrictions by limiting the exemption to individuals whose disability or condition:

"Significantly impairs their ability to comply with the work requirement."

Operational Impact

This definition narrows the exemption beyond the statute, which does not define medical frailty by ability to work.

CMS State Requirement: States must develop specific lists of diseases and diagnoses to identify qualifying individuals.



Verification Requirements and Impact

Verification Process. States must first check data sources to verify compliance or exemption. If data is unavailable, the rule outlines when documentation or self-attestation is acceptable.

Self-attestation for medical frailty. The rule allows states to generally accept self-attestation in 2027. Beginning in 2028, states may only accept self-attestation for medical frailty once per an individual's "enrollment period" (i.e. unless the person disenrolls and reenrolls in Medicaid coverage).

Self-attestation for other verification. For 2028 onward, if data are not available, states must require documentation where "reasonably available." If documentation is not reasonably available, states may accept self-declaration. Notably, states may not terminate coverage solely because an individual is unable to produce documents that are not reasonably available.



Emergency Declaration

Statutory Definition (HR1)

"In which there exists an emergency or disaster declared by the President pursuant to the National Emergencies Act or the Robert T. Stafford Disaster Relief and Emergency Assistance Act."

IFR Narrowing of Definition

Similar to medical frailty, the IFR restricts this exception to include only circumstances where the emergency affects the ability of enrollees to:

- Demonstrate community engagement in a particular county
- Cover multiple counties or operate statewide



Data reporting

States will be **required to report specific metrics** on their work requirement implementation to CMS. States may be subject to corrective action if reported data are not timely, complete, or of sufficient quality, or if reported data indicate a failure to comply substantially with the federal rules.

Required metrics

- (1) Enrollment totals of individuals receiving medical assistance.
- (2) Application and renewal processing and timeliness, pending applications, and renewals that exceed the timeliness standards.
- (3) Outcomes of determinations and redeterminations of eligibility.
- (4) Population counts of individuals subject to and their compliance with the requirements
- (5) Any other data specified by CMS to monitor State implementation



Questions & Discussion



Implementing Medicaid Work Requirements: Early State Plans and New Federal Requirements

June 10, 2026

The independent source for health policy research, polling, and news.

KFF

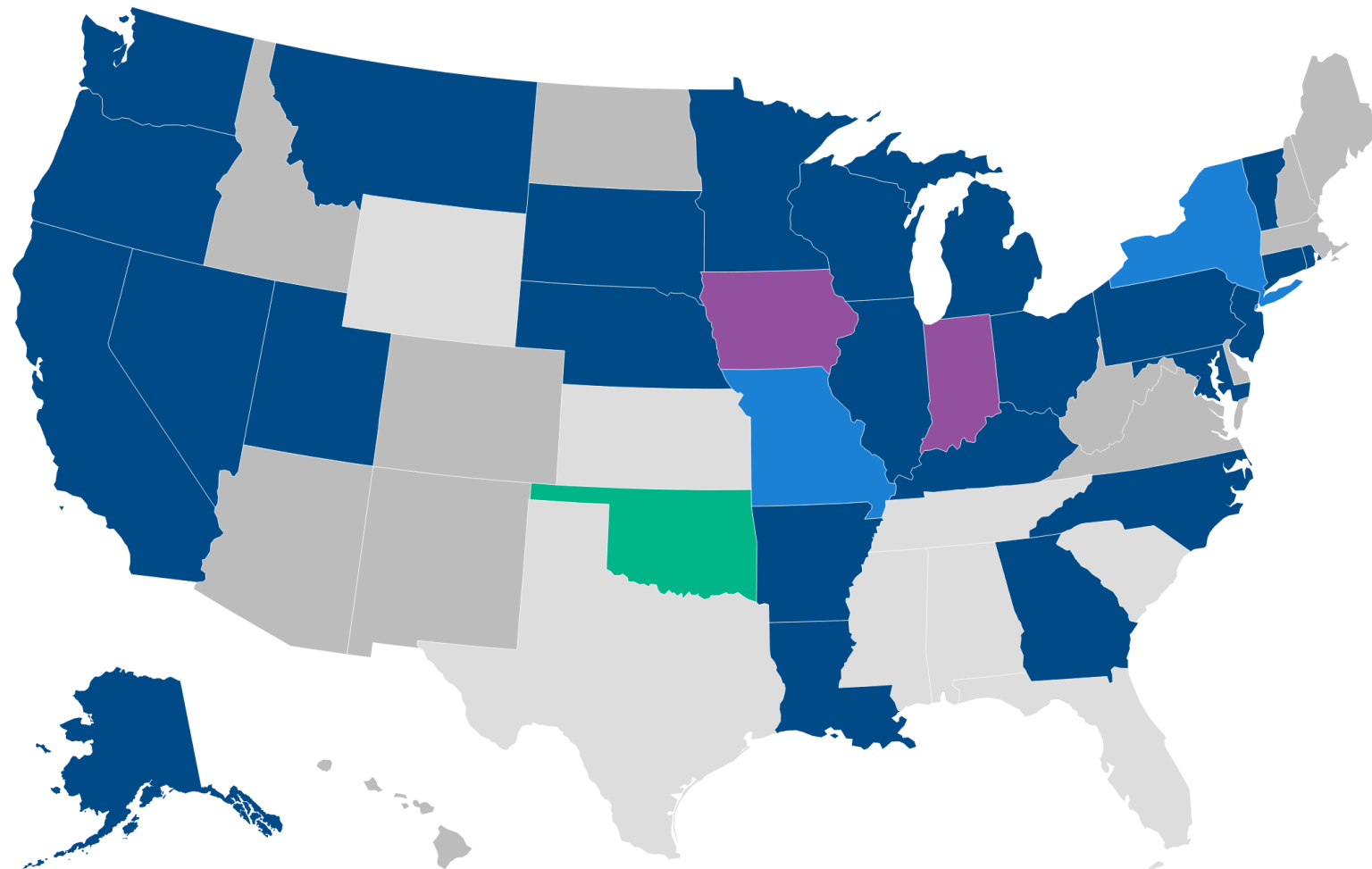
States reported early plans for implementing Medicaid work requirements on KFF annual survey.

- Annual KFF/Georgetown Center for Children and Families survey was fielded in January – March 2026
 - Survey included questions on implementation of work requirements for 43 states subject to the new rules.
 - Offers an early look at state plans at a point in time (March 2026) and before the CMS rule was released
- States expressed concern over having to make implementation decisions without formal guidance, noting cost and readiness implications if they are required to course-correct.

States are required to adopt all optional hardship exceptions or none, with some flexibility on the high unemployment exception.

State decisions to adopt one or more temporary hardship exceptions.

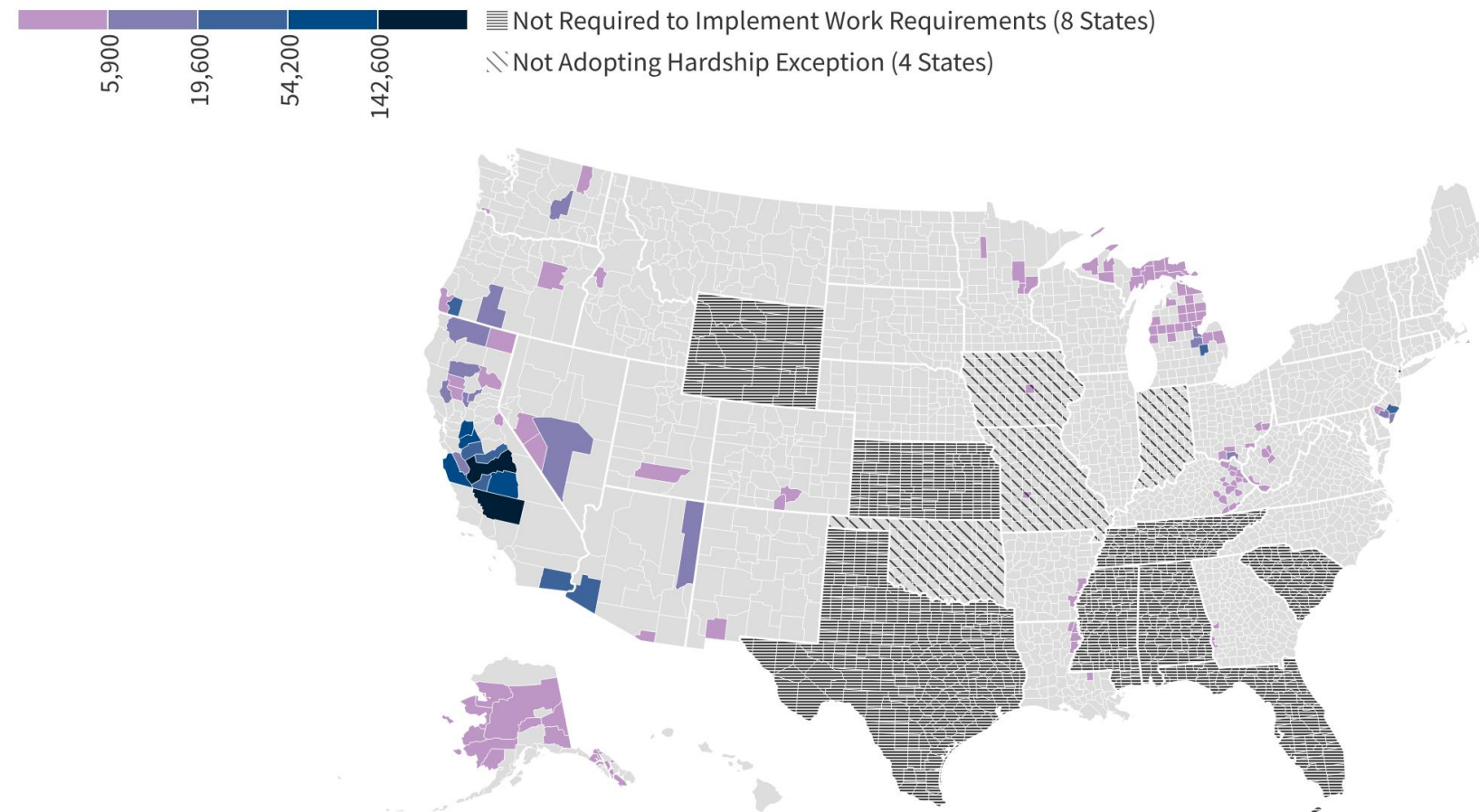
■ All 4 hardship exceptions (26 States) ■ 3 exceptions (2 States) ■ 2 exceptions (1 State) ■ No exceptions (2 States) ■ TBD (12 States)



Source: Based on results from a national survey conducted by KFF and the Georgetown University Center for Children and Families, 2026

About 1.4 million Medicaid expansion enrollees live in counties with high unemployment and could be exempt from work requirements.

Medicaid expansion enrollment in counties that meet criteria for the unemployment exception to the Medicaid work requirements, using a 12-month unemployment average, February 2025-January 2026



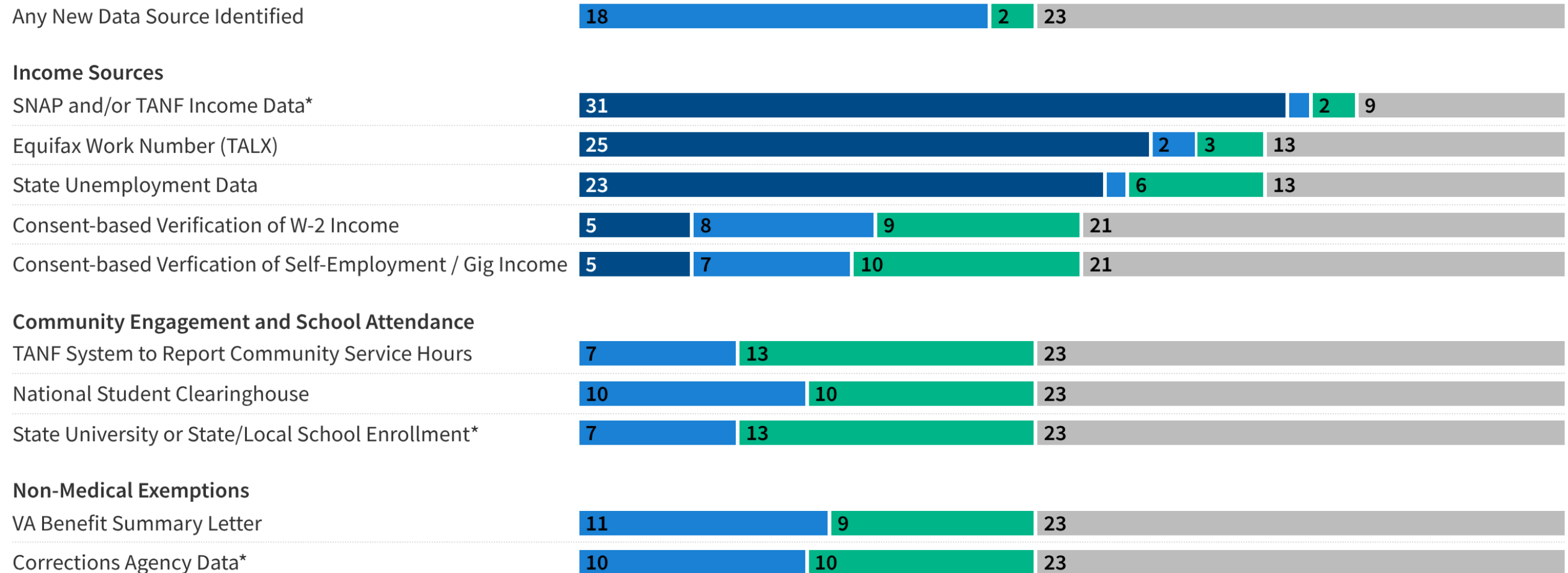
Note: The 12-month average covers February 2025 to January 2026. BLS did not release unemployment data for October 2025 due to the 2025 lapse in appropriations. A provision in the budget reconciliation law allows states to request a hardship exception to the Medicaid work requirements for enrollees who live in counties with unemployment rates at or above 8% or below 8% but 1.5 or more times the national average.

Source: KFF Analysis of the Bureau of Labor Statistics (BLS) Labor Force Data by County, February 2025-January 2026, T-MSIS Research Identifiable Files, 2023, and Medicaid Budget and Expenditure System (MBES) June 2025 Medicaid Expansion Enrollment Data.

States will be required to access certain new data sources to verify work compliance and non-medical exemptions.

Number of states planning to use each data source:

■ Currently use and plan to use
 ■ Plan to newly use
 ■ Do not plan to use
 ■ TBD

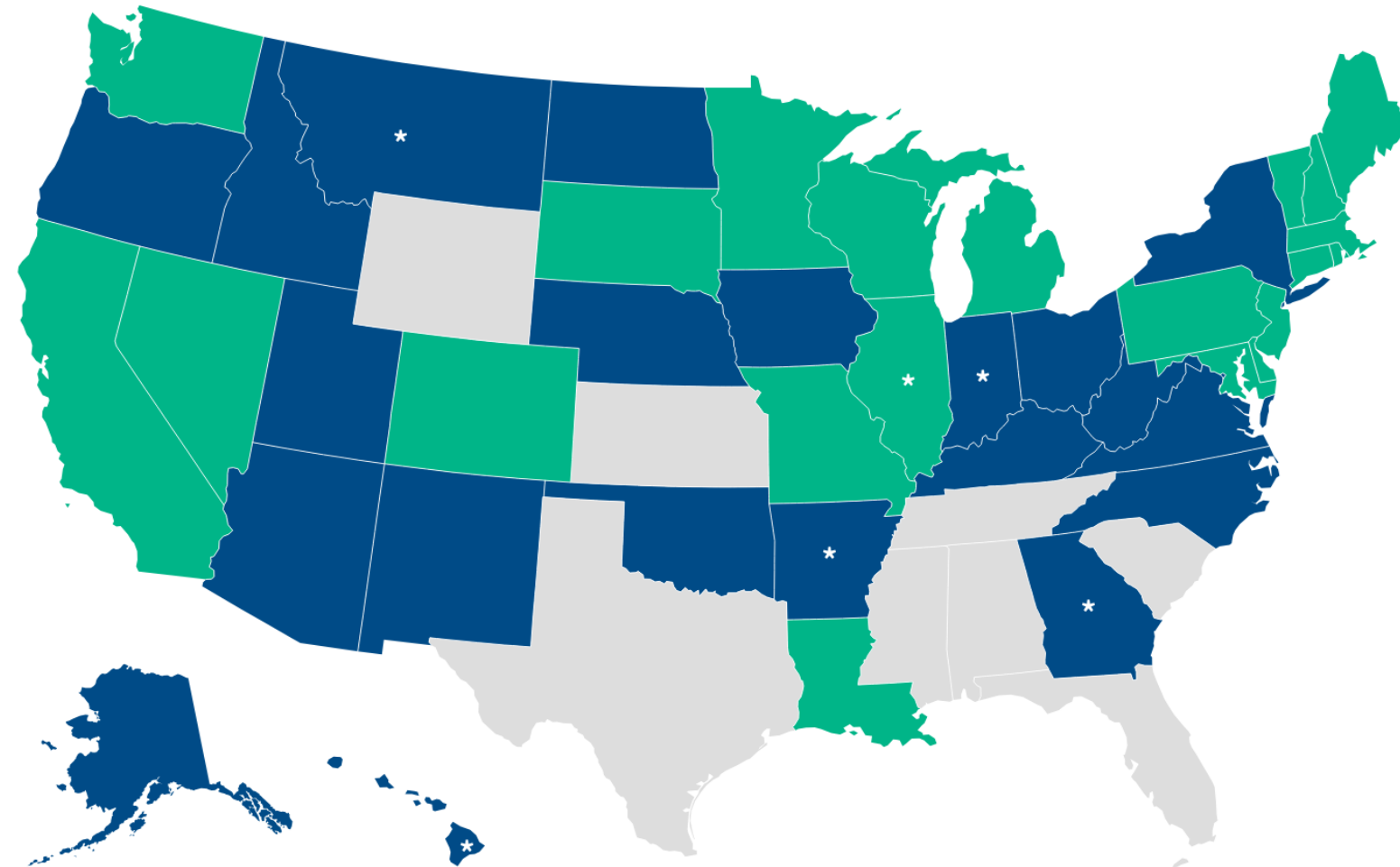


Note: * Data sources states will be required to use.

Source: Based on results from a national survey conducted by KFF and the Georgetown University Center for Children and Families, 2026

Although about half of states currently have a medical frailty definition, they must adopt the federal definition.

■ Has Current Medically Frail Definition (22 States) ■ Does Not Have Current Medically Frail Definition (21 States)



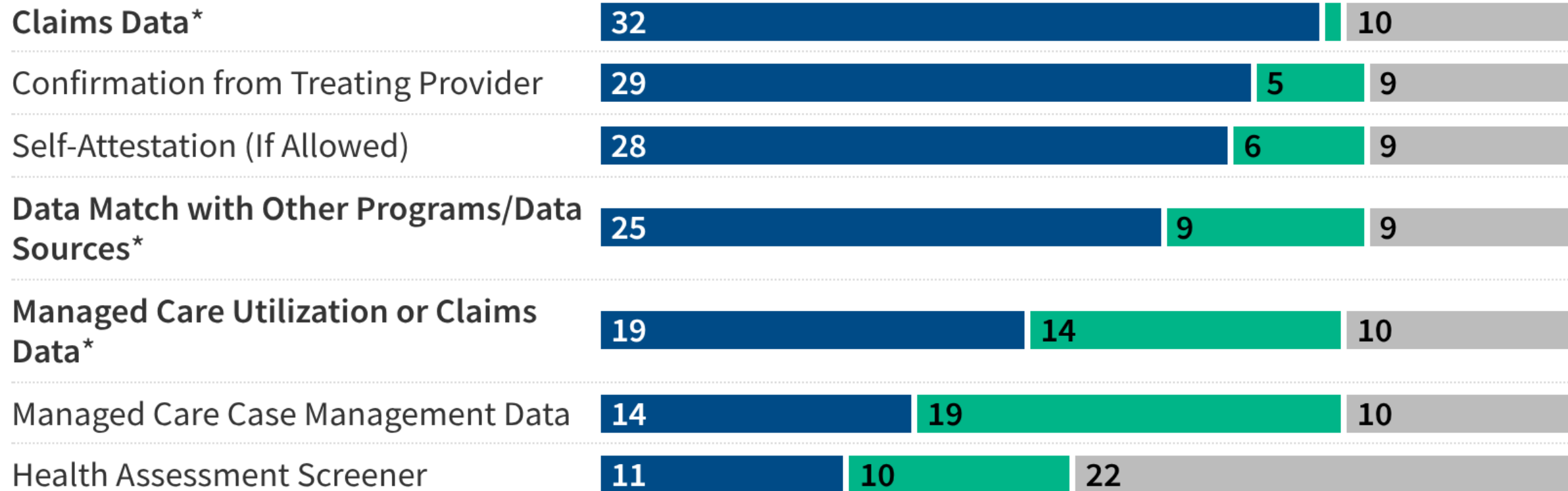
Note: * State reported plans to use a state definition of medical frailty.

Source: Based on results from a national survey conducted by KFF and the Georgetown University Center for Children and Families, 2026

States are required to use certain data sources to verify medical frailty with limited use of self-attestation.

Number of states planning to use each verification source:

■ Yes ■ No ■ TBD



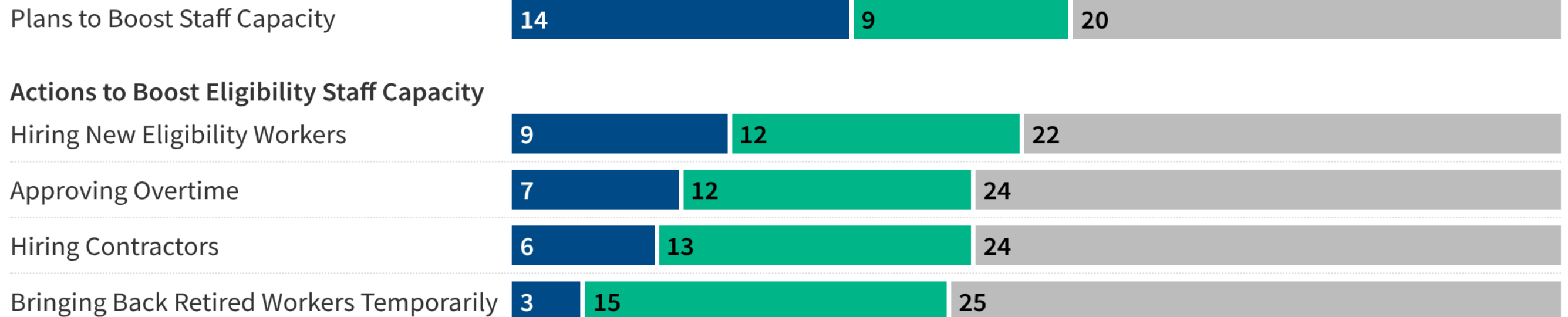
Note: * Data sources states will be required to use. While North Carolina and Utah reported plans to use self-attestation in KFF's 2026 survey, both states have since passed legislation restricting the use of self-attestation; these states are counted as not planning to use self-attestation in the above figure. Other state plans for how to verify medical frailty exemptions may have changed since the survey was fielded.

Source: Based on results from a national survey conducted by KFF and the Georgetown University Center for Children and Families, 2026

Despite expected increased workload, just 14 states said they plan to take action to increase eligibility staff capacity.

Number of states reporting actions to boost staff capacity:

■ Yes ■ No ■ TBD



Source: Based on results from a national survey conducted by KFF and the Georgetown University Center for Children and Families, 2026

States are required to conduct outreach to individuals who will be subject to the new work requirements.

Outreach requirements included in June 2026 interim final rule:

Who Must Be Notified

- All individuals eligible for or enrolled in the ACA Medicaid expansion
- Individuals eligible for or enrolled in an applicable section 1115 waiver

Included Information

- How to comply
- Explanation of exceptions
- Who is an applicable individual
- Number of months compliance is required at application and renewal
- Frequency of compliance checks
- Consequences of non-compliance
- How to report changes to status

Frequency

- Three months prior to implementation month plus the number of lookback months (e.g., September 2026 for January 2027 implementation with one lookback month)
- Periodically: at renewal or more frequent compliance check, when hardship exception is adopted, terminated, or expires, upon loss of exemption status

THANK YOU

For more information, contact: jennifert@kff.org



Health Center Association
OF NEBRASKA

Nebraska Medicaid Changes

May 2026



ADVANCE
the
**HEALTH CENTER
MOVEMENT.**

Key Implementation Dates

- **May 1, 2026:** Enforcement of Medicaid Work Requirements Begins
- **June 1, 2026:** CMS Interim Final Rule released
- **October 1, 2026:** Changes in immigrant coverage
- **January 1, 2027:** 6-month redeterminations begin

Current Expansion Enrollees: 72,000

Estimated Coverage Loss: 25,000-30,000 enrollees

State Communication

- Initial Notice
 - Letter Mailed to all Expansion enrollees: December 2025
 - College-age reading level
 - 4 pages long
 - 50% of enrollees also received a text message
 - 15% of enrollees also received an email
- After May 1:
 - Explainer videos (English only) added to the work requirements website
 - Updated FAQ published
- No radio or TV campaign by DHHS
- Limited social media activity regarding work requirements

The Enrollment Process

New Applicants

- Will have to meet work requirements in the month immediately preceding the application month.
 - May 1 enrollees: meet requirements in April
- Will have to meet exemption in either the month immediately preceding or the month of application

Current Enrollees

- Qualifying month: any month between their most recent Medicaid determination or renewal and their next regularly scheduled Medicaid renewal
 - e.g., a member whose annual eligibility period ends July 31, 2026 would need to demonstrate compliance during any month between August 1, 2025 - July 31, 2026

Documentation Requirements

- **Work Documentation**
 - Paystubs, timesheets, W2, etc. – Primary source documents
 - Seasonal Workers: average monthly income from working over the last six months from seasonal work met this threshold, regardless of the number of hours worked.
- **Education/Apprenticeship and Volunteering**
 - Individual Declaration [Form](#)

***Note:** Requirements don't reflect the Interim Final Rule

How DHHS will Complete Reviews

1. Ex Parte review (Nebraska doesn't outsource)
2. If DHHS does not have enough information to verify compliance, they will contact members to request more information
 - Send a Verification of Compliance [Notice](#) and Individual Declaration Form
 - Note: Verification notice will state that additional information is needed, not **what** is needed (e.g. paystubs, etc.)
3. Member/applicant must respond within 30 days of receipt, or they may be denied or lose their Medicaid coverage.
 - For those members or applicants who do not comply with work requirements, there are two new notice reasons:
 - Failure to provide adequate verification
 - Failure to meet Medicaid Work Requirements

Medical Frailty – NE Implementation

Defining Medical Frailty

- Conditions list released one week before implementation (295-page PDF)
- Concerns about gaps in diagnosis codes
 - SUD
 - Chronic Disease

Communication

- Provider webinar held April 29
- No information on how to advocate for the patient when the diagnosis is not on the conditions list

Verification

- New Enrollees: Individual Declaration Form
- Existing Enrollees: Claims data
 - Primary Claim only
 - 12-month look back

Medicaid IFR – What Might Change

- Medical Frailty
 - Will the self-attestation process change?
 - What is the process for consideration of a diagnosis, condition, or disease that falls outside of the code list?
 - What documentation will be required to meet the “significant impairment of work” requirement?
 - What role will health center providers play in assessing medical frailty?
- Temporary Hardship
 - Appears to be a month-to-month determination
 - Month of hardship vs. month prior to hardship

Medicaid IFR – What Might Change

- Reporting
 - Reporting to CMS is required
 - Unclear if public reporting will be required
- Verification of Work Requirements
 - Will Nebraska require more frequent determinations?
- Self Attestation
 - Timeline for changes
 - Changes to Individual Declaration Form

Implementation – View from the Front Lines

- Beginning of May – The Sound of Silence
 - Few renewal applications
- Mid-May and Later
 - Employment verification requests start to pour in
 - 90-minute or longer call wait times
 - Duplicate attestation forms
 - Early termination for current enrollees
 - Broken language access line
 - Application appointment times increase
 - Conflicting information from state call center
 - Frustrated and confused clients

Considerations for CHCs

- Outreach and enrollment staff
 - How are they incorporated into clinic workflows?
 - What access to data do they have?
 - Do they have the educational resources needed to educate on changes?
 - They don't make enrollment decisions!
- Clinical staff
 - Do they understand the medical frailty process?
 - What additional verification will they have to provide?

Considerations for CHCs

- Financial staff
 - How is the change in payer mix being tracked?
 - Can the health center estimate loss in revenue prior to enactment?
 - Where are the opportunities for new revenue sources?
- IT/HCCN
 - Do we have the tools to identify and track expansion patients?
 - Any modifications to EHR, Azara, etc. to support new requirements and exemptions?
- Medicaid MCOs
 - Will they share data?
 - Can you collaborate on outreach?
 - Will they provide funding to CHCs to support O&E work?

State & Federal Policy Opportunities

State Policy

- Meet with Medicaid early and often
- Submit implementation recommendations
- Ask for a CHC-specific training (O&E teams)
- Keep your Legislature informed!
- Data access from MCOs



**Use existing
coalitions**

Federal Policy

- Keep your Delegation informed
- Collaborate with key partners (NACHC, GW, PCA Hub)

HCAN Resources

Website Updates

- HCAN Website: <https://www.hcanebraska.org/advocacy/medicaid-in-nebraska/>
- How to Get Care: <https://howtogetcare.org/medicaid-work-requirements/>

Resources

- Work requirements fact sheet (translated)
- Monthly O&E calls
- Media talking points
- Work Requirements Flow Chart
- Searchable Excel Workbook – Medical Frailty
- Implementation toolkit for health centers
- Public education campaigns (social media)
- Educational videos (coming soon!)

[HCAN Sharefile Link](#)

Thank You!



Amy Behnke

arb@hcannebraska.org

(402) 932-3132

**THE GEORGE
WASHINGTON
UNIVERSITY**

WASHINGTON, DC