



H.R.1 Update

MHBE Board Meeting

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Monday, May 18, 2026

Medicaid H.R.1 Eligibility Provisions (1/2)

- **Changes to Immigrant Eligibility (October 1, 2026).**
 - Certain immigrants are no longer eligible for Medicaid. This includes refugees, asylees, immigrants granted parole for at least one year, and certain victims of abuse and trafficking. **Note: Pregnant women and children are not impacted. Emergency Medical Assistance is not impacted.**
 - **Impact: ~15,000 non-citizens may lose coverage.** (Note: this is a reduction from previously published est. of ~60,000).
- **Medicaid work requirements (January 1, 2027).**
 - Requires states to implement work requirements as a condition of Medicaid eligibility for ACA expansion adults aged 19 through 64.
 - **Impact: ~115,000 ACA Adults could lose coverage.** Requirements apply to the more than ~320,000 adults* in this coverage group.

Medicaid H.R.1 Eligibility Provisions (2/2)

- **Increased Medicaid redeterminations (January 1, 2027)**
 - Requires states to conduct eligibility redeterminations once every six months for ACA expansion adults. (Current requirement is annual).
 - **Impact:** Requirement impacts the more than **320,000 adults** eligible under the ACA Expansion.
- **Shortened Medicaid retroactive coverage opportunities (January 1, 2027)**
 - Reduces retroactive coverage from three months to one or two months depending on eligibility category.
 - **Impact:** ACA expansion adults are limited to **one month of retroactive coverage**, and all other enrollees are limited to two months retroactive coverage. **These changes also impact Emergency Medicaid.**

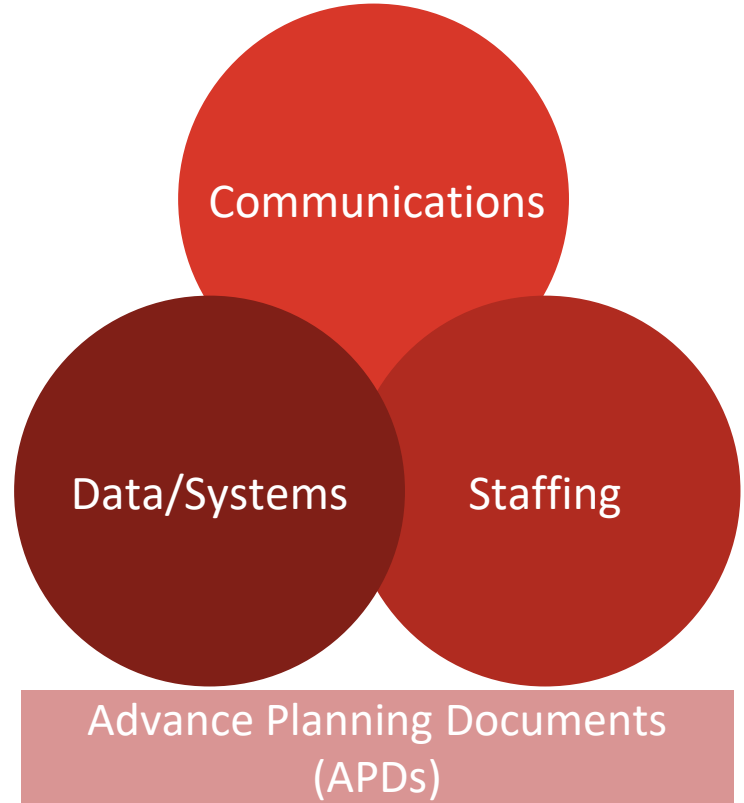
Other H.R.1 Provisions

- **Payments to Planned Parenthood**
 - Sec. 71113. Federal payments to prohibited entities. (July 4, 2025)
- **Provider Taxes**
 - Sec. 71115. Provider taxes. (July 4, 2025)
 - Sec. 71117. Requirements regarding waiver of uniform tax requirement for Medicaid provider tax. (July 4, 2025)
- **State Directed Payments**
 - Sec. 71116. State directed payments. (July 4, 2025, Maryland impacted January 1, 2027)
- **Budget Neutrality**
 - Sec. 71118. Requiring budget neutrality for Medicaid demonstration projects under section 1115. (January 1, 2027)
- **Cost Sharing**
 - Sec. 71120. Modifying cost sharing requirements for certain expansion individuals under the Medicaid program. (October 1, 2028)
- **Erroneous Excess Payments**
 - Sec. 71106. Payment reduction related to certain erroneous excess payments under Medicaid. (October 1, 2029)

Implementation Workstreams

The State has established a **comprehensive cross-agency team led by the Maryland Department of Health (MDH), Maryland Health Benefit Exchange (MHBE), and Maryland Benefits** to implement H.R.1 Medicaid eligibility requirements, **in partnership with providers, plans, and stakeholders.**

Our **objective** is to **protect health care coverage** for eligible Marylanders, **consistent with federal law and guidance.**



Immigration Eligibility Changes

Effective October 1, 2026

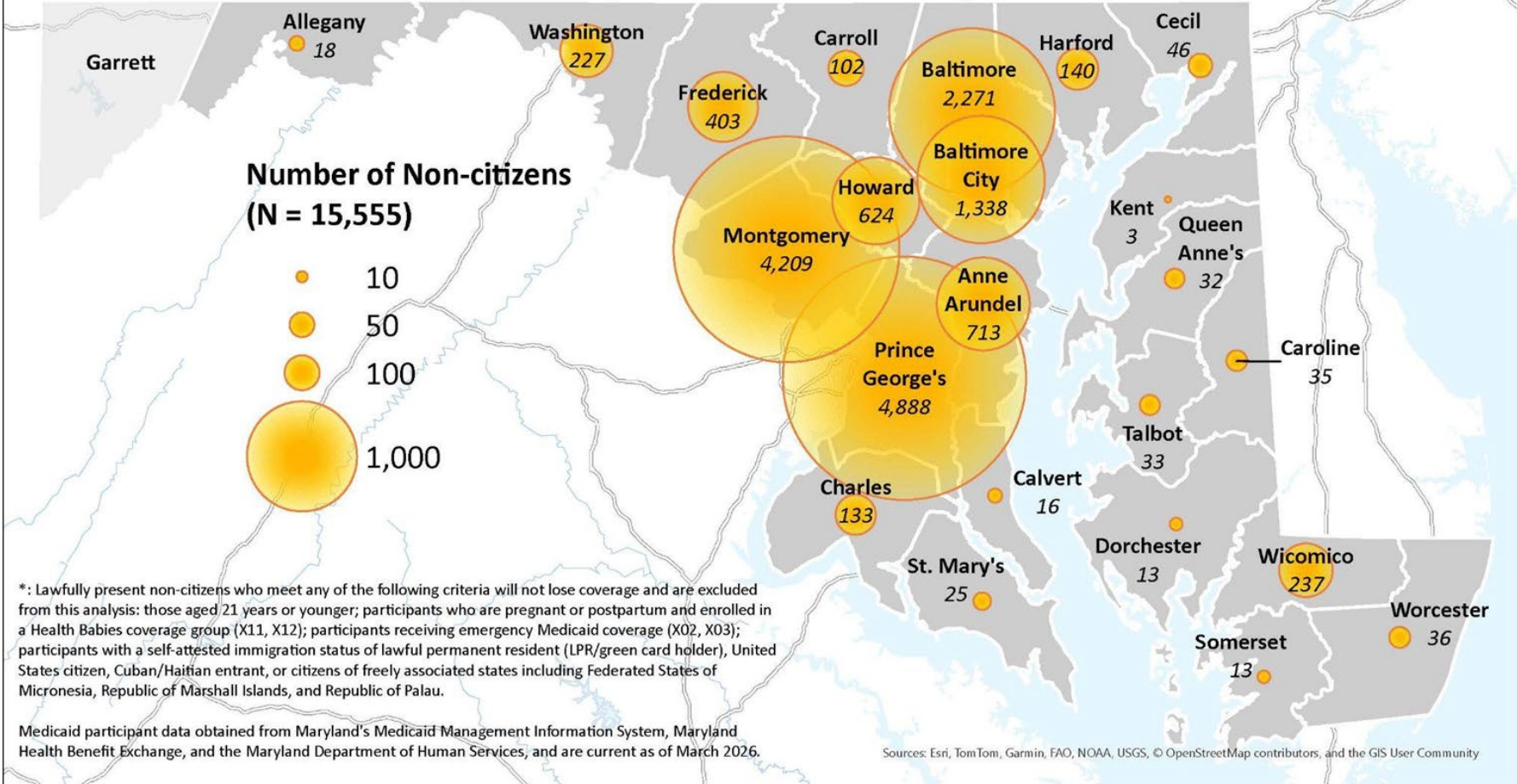
H.R.1 Eligibility Changes for Adults, Eff. 10/1/26

Effective October 1, 2026, eligibility for Medicaid coverage will be limited to U.S. Citizens and the following Eligible Non-Citizens (ENC):

- Legal Permanent Residents (LPRs or green card holders) who meet or are exempt from the five-year rule,
- Cuban and Haitian non-citizens, and
- Compact of Free Association (COFA) migrants.

There are certain exceptions to these changes for children and pregnant women. Emergency Medicaid is not impacted by H.R.1.

Number of Lawfully Present Non-Citizens Assumed to Lose Medicaid Coverage Under 2025 Federal Budget Reconciliation Law on 9/30/2026, by County*



H.R.1 Eligibility Impact for Children and Pregnant Women

States continue the option to cover lawfully residing children and pregnant people without a five-year waiting period in additional categories under CHIPRA §214. Consistent with current policy, Maryland will continue to cover children and pregnant women in these categories after 10/1/2026:

1. Qualified non-citizens, even if within the 5-year waiting period (see above)
2. Non-citizens in valid non-immigrant status (for example, student visas, worker visas, etc.)
3. Non-citizens paroled into the United States for less than 1 year, except if paroled for prosecution, deferred inspection, or pending removal proceedings
4. Applicants for asylum (or for withholding of removal under the Convention Against Torture) who have been granted employment authorization, and applicants for asylum under the age of 14 whose applications have been pending for at least 180 days
5. Non-citizens granted withholding of removal under the Convention Against Torture
6. Children with pending application for Special Immigrant Juvenile status
7. Non-citizens lawfully present in American Samoa under the immigration laws of American Samoa

8. Non-citizens in one of the following classes:
 - i. Non-citizens currently in temporary resident status
 - ii. Non-citizens currently under Temporary Protected Status (TPS) (and pending applicants for TPS who have been granted employment authorization)
 - iii. Non-citizens who have been granted employment authorization;
 - iv. Family Unity beneficiaries
 - v. Non-citizens currently under Deferred Enforced Departure (DED) pursuant to a decision made by the President
 - vi. Non-citizens currently in deferred action status (note that this does not include individuals with DACA granted under the June 2012 DHS Policy [Deferred Action for Childhood Arrivals] status)
 - vii. Non-citizens whose visa petition has been approved and who have a pending application for adjustment of status

Healthy Babies Program

- Healthy Babies provides Medicaid coverage to individuals who do not qualify for coverage based on immigration status.*
- Coverage is available during pregnancy and for four months during the postpartum period
 - In SFY 25, Healthy Babies served 16,038 individuals
- H.R.1 does not change the federal authority that permits states to operate programs like Healthy Babies.
- The Healthy Babies program **will not** be impacted by changes taking effect 10/1/26

10*More information on the Healthy Babies Program can be found on the MDH [webpage](#).

Exemptions to the Medicaid 5-Year Bar

Most LPRs must be lawfully present in the U.S. for five years (“the five-year bar”) before they become eligible for Medicaid. H.R.1 does not impact these rules.

The following individuals will remain exempt from the 5-year bar after transitioning to LPR status:

1. Refugees admitted to the U.S. under § 207 of the Immigration and Naturalization Act (INA);
2. Granted asylum under § 208 of the INA;
3. Deportation is being withheld under § 243(h) or 241(b)(3) of the INA;
4. Cuban or Haitian entrants defined in § 501(e) of the Refugee Education Assistance Act of 1980;
5. Amerasian immigrants admitted pursuant to § 584 of Public Law (Pub. L. No.) 100-202 (12/22/1987), as amended by Pub. L. No. 100-461 (10/1/1988);
6. Victims of trafficking with a certification or eligibility letter from the Office of Refugee Resettlement;
7. Afghan or Iraqi special immigrant visa holders; or
8. Meet the exceptions for honorably discharged veterans, military service member on active duty in U.S. armed forces, spouse or unmarried dependent of veteran or active duty military, or have been in the U.S. since 1996.

Cuban and Haitian non-citizens and Compact of Free Association (COFA) migrants are not subject to the five year bar.

Emergency Medicaid

- Medical Assistance coverage for **emergency medical services** can be provided to undocumented or ineligible immigrants who are technically and financially eligible for Medicaid coverage, except for citizenship or alien eligibility requirements.
 - Eligibility for Emergency Medicaid is not changing due to H.R.1
 - Immigrants who are affected by H.R.1 changes, and are no longer eligible for Medicaid effective 10/1/26, **will still be eligible** for Emergency Medicaid.
- Services related to an emergency event, including both the emergency visit and inpatient admission related to the event are covered, when medically necessary.
 - Individuals must apply for emergency Medicaid coverage after each emergency event. ESRD services may be approved for up to 13 months.
 - Changes to retroactive coverage limits under H.R.1 also apply to Emergency Medicaid.

Work Requirements

Effective January 1, 2027

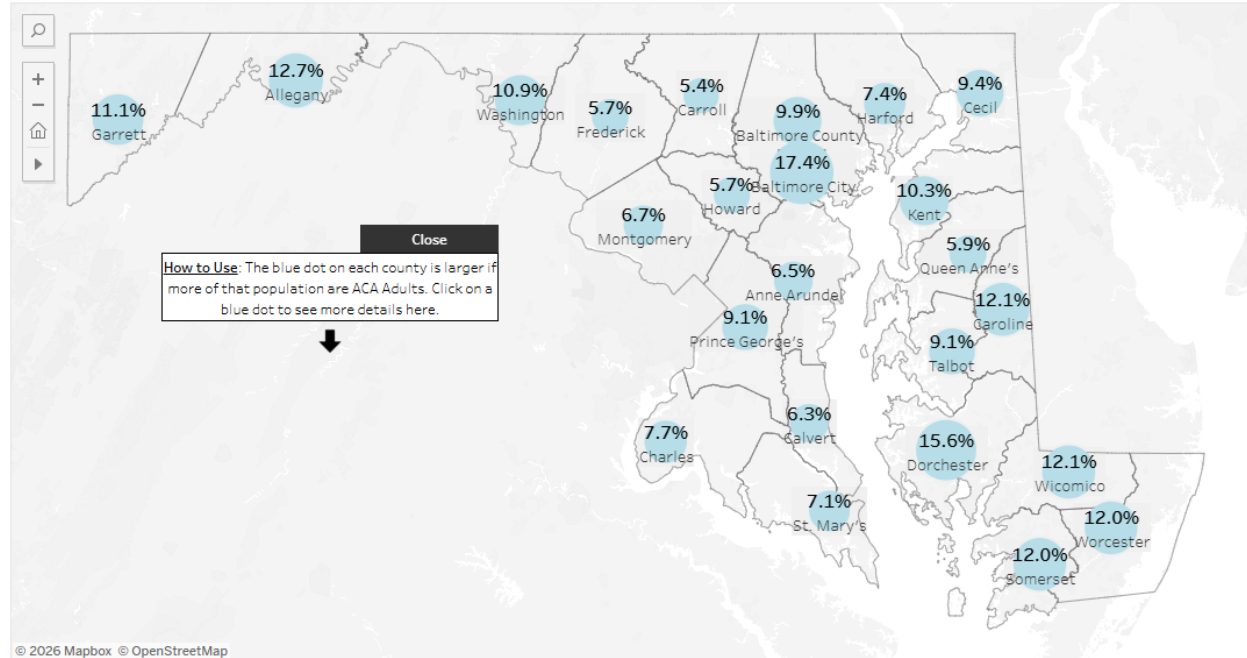
Guiding Implementation Principle

Take advantage of assumed H.R.1 flexibilities offered in the statute to maximize work requirement exemptions.*

ACA Adults Public Dashboard

ACA Adults - % of All Adults by County

Out of all adults aged 19-64 in the county, what percentage are ACA Adults?



© 2026 Mapbox © OpenStreetMap

Notes: ACA Adult population as of December 2025.

[Link to dashboard](#)

% of All Adults by County

% of Total Population by County

% of Medicaid Enrollees by County

% of Adults by Congressional District

% of Total Population by Congressional District

% of Medicaid Enrollees by Congressional District

ACA Adult Demographics

ACA & Medicaid Side-by-Side

H.R.1 Work Requirements

ACA expansion adults aged 19 to 64 are subject to work requirements.
Note, there are a number of categorical and optional exemptions.

Participants must meet at least 1 of the following criteria:

- Have income of at least \$580/month* ;
- 80 hours of work per month;
- 80 hours of a SNAP-defined work program;
- 80 hours of community service;
- At least half-time enrollment in a higher education or vocational training program; or
- A combination of 80 hours of the above.

16 *This is based on the federal minimum wage of \$7.25 per hour multiplied by 80 hours; workers who make the State minimum wage could work less than 40 hours per month and still qualify for Medicaid.

Work Requirement Exemptions

Parents/Caretakers of
Young Children or
Disabled Individuals

Medically Frail
Individuals

Incarcerated or
Recently Released
from Incarceration

Pregnant or
Postpartum Women

Participating in SUD
Program

Entitled to Medicare
Part A or Enrolled in
Medicare Part B

Former Foster Youth
Under Age 26

American Indians and
Alaska Natives

Disabled Veterans

Subject to SNAP/TANF
Work Requirements

Optional “Short-Term Hardship” Exemptions:

Recent acute care or travel for medically complex & necessary care
County emergency or disaster | High county-level unemployment

H.R.1 - 119th Congress (2025-2026): One Big Beautiful Bill Act. (2025, July 4). <https://www.congress.gov/bill/119th-congress/house-bill/1>

Medical Frailty: Example Conditions

H.R.1 outlines five potential categories of medical frailty.

Blindness or Disability

E.g. Blind, coronary insufficiency, hydrocephalus

Substance Use
Disorders

E.g. Opioid use disorder, alcohol use disorder, drug overdose requiring medical care

Disabling Mental
Disorders

E.g. Delusional disorder, schizoid personality disorder, major depressive disorder

Physical, intellectual, or
Developmental Disability

E.g. Cerebral palsy, autism spectrum disorder, epilepsy

Serious or Complex
Medical Conditions

E.g. Chronic heart failure, chronic liver disease, HIV/AIDS

New Data Integrations: Eligibility Verifications

Compliance



- National Student Clearinghouse
- Equifax
- Maryland Department of Labor

Exemptions



- CRISP
 - Medicaid Claims/Encounters
 - HSCRC Case Mix Data (commercial payers)
- DHS - SNAP (existing, new data fields added)
- DHS - TANF

Communications

Communications Approach



Key Messaging Goal



- **Message discipline** across agencies and stakeholder partners.



Overarching Strategy



- **Consumer-focused** materials
- **Provider/community stakeholder-focused** materials



Key Audience



- **ACA Adults**
- **Non-Citizens**
- **Pregnant Women & Children**



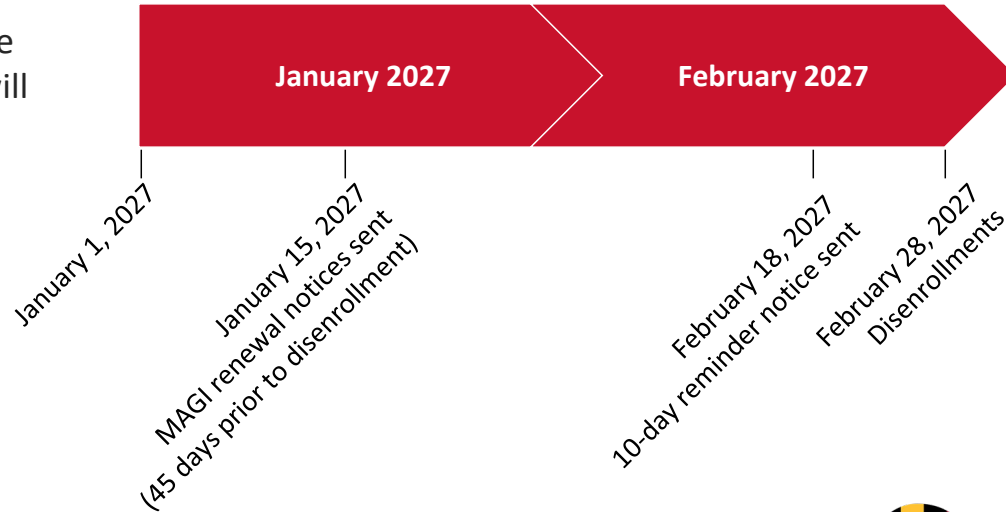
Partners



- **Sister Agencies: DHS, MHBE, DoL**
- **MCOs**
- **Stakeholders and Community Organizations**

Required Communications to Participants (MAGI)

Example: an individual who is due for a renewal in February 2027 will receive two mandatory notices before being disenrolled from coverage.



Communications Strategy

- The Department is working with the same communications vendor, GKV, we partnered with during the PHE Unwinding Campaign
- Engagement will launch in May 2026
- We have developed a coordinated communications campaign to message H.R.1 changes, working with stakeholders such as:
 - Managed Care Organizations
 - Local Health Departments
 - Providers
 - Employers
 - Community Based Organizations

Communications Campaign

- The MMCOA has partnered with the marketing firm, GKV, to lead a comprehensive communications campaign. GKV led the Medicaid Check-In campaign during PHE unwinding.
- Throughout the campaign, the Department will share aggregate enrollment and disenrollment data on the zip code and county-level with GKV.
 - Drive informed campaign decisions, including pivots when necessary.



Communications Phased Approach

Phase 1

General Education - Spring 2026

Materials

- Paid social media to reach consumers, providers and employers
- Broadcast radio
- MCO member communications
- Dedicated MHBE landing page and dedicated Provider and Employer Portal at MDH.gov
- QR codes to drive audiences to the website
- FAQs, Talking Points, Flyers, Templates for paycheck inserts, breakroom posters, graphics, etc.
- Employer/Provider toolkits and educational videos

Phase 2

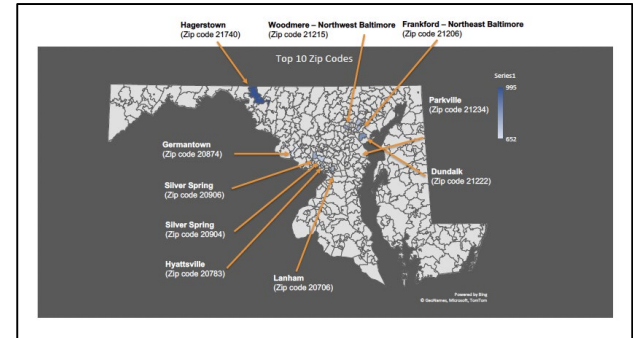
Education + Action - Fall 2026

Materials

- Increased and expanded media presence
- Paid social and search
- Digital video, audio, and CTV
- Broadcast radio
- Outdoor and place-based media
- Direct MCO member outreach
- Updated toolkits
- Expanded MHBE and MDH landing pages

Utilize Heat Mapping to Make Data-Driven Campaign Optimizations

- Monthly Analysis – review disenrollment data supplied by MDH to identify areas most impacted by disenrollments
- Geographic Targeting – map disenrollment trends by county/zip to pinpoint highest-need areas
- Adaptive Media Planning – reallocate or layer on additional media in the priority areas to reinforce outreach
- Continuous Optimizations – track shifts in disenrollment rates over time to measure impact and refine targeting



How Can I Help?

Get the word out to participants! The Medicaid Consumer, Provider, and Employer Toolkits will have a variety of helpful tools

- Urge consumers to update contact information
- Urge consumers to watch for notices from Maryland Health Connection
- Share resources from the consumer/provider/employer toolkits
 - Toolkits will be posted in Mid-May
- Assist your networks in understanding which exemptions they may be eligible for
- Spread the word about upcoming Medicaid changes to your network

Resources

- [MDH H.R.1 Fact Sheet](#) (Issued July 11, 2025)
- [Is My Medicaid Going to Change? \(fact sheet published Dec 2025\)](#)
- [MDH Webpage on H.R.1 Medicaid Changes](#)
 - Note, this will be updated as more information becomes available.
- [FAQs: What the New Federal Budget Law Means for Your Medicaid Coverage](#)
- [FAQs: Cómo impacta la nueva ley presupuestaria federal en su cobertura de Medicaid](#)
- [Maryland Medicaid DataPort](#)
 - See “Federal Changes” tab.

MHBE HR1 Implementation Update

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May 18, 2026

HR1 Operational Impacts

MHBE is the agency primarily tasked with implementation of HR1 Medicaid eligibility changes. These changes are expected to have a significant ongoing impact on MHBE operations.

- **IT systems and software**

- System rules
- User interfaces
- Notices
- Data exchanges
- Reporting
- Ongoing operational support
- Additional software licensing

- **Call center and fulfillment**

- Increased call and notice volume

- **Outreach and education**

- Enrollee education and new text and email campaign for renewing enrollees

- **Escalations and appeals**

- Increased escalations and eligibility determination appeals
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MHBE's FY27 budget includes staff and resources to support HR1 implementation

- Twelve additional state staff
- Approximately \$6M in additional state general funds

MHBE Implementation Schedule for MHC

April '26	May '26	July '26	October '26	December '26
Hub Changes for Revised Immigrant Eligibility	Supplemental Nutrition Assistance Program (SNAP) Integration	Student Verification Integration	Consumer and Worker Portal Changes	Enable Work Requirement Changes
	Temporary Assistance for Needy Families (TANF) Integration	Notice Changes	Eligibility Changes	Enable Retroactive Medicaid Changes
	Dashboard Changes	Salesforce Marketing Cloud	Notice Changes	Enable Semi-Annual Renewal Changes
	MHC Screener Changes	Maryland Department of Labor (DLLR) Integration	Additional Income Verification Integration	
		Revised Immigrant Eligibility Rules ¹	AI and RPA Changes	
			CRISP Integration	
			Retroactive Medicaid Changes	
			Semiannual Renewals for Expansion Adults	
<i>Work req. change</i>	<i>Non-work req. change</i>			

¹Revised immigrant eligibility rules must be programmed into MHC by July but beneficiaries will not be disenrolled until 10/01/2026.