

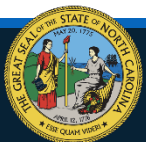
Connecting Communities & Medicaid Session #4

May 13, 2026



Connecting Communities and Medicaid (CCM)

- Department Updates (LaQuana Palmer)
- H.R.1 Update (Sarah Gregosky)
- Review H.R. 1 Notice for Medicaid Expansion Group (Kathy Batton)
- Suggestions, Questions and Answers (Francisco Guzman)
- Closing (Monica F. Johnson)



Department Updates

LaQuana Palmer

Deputy Director

Office of Communications and Engagement

Division of Health Benefits (NC Medicaid)

NC Medicaid Updates

NCDHHS Names Melanie Bush Deputy Secretary of NC Medicaid

The North Carolina Department of Health and Human Services (NCDHHS) is pleased to share that Melanie Bush has been named the next Deputy Secretary of Medicaid for the NCDHHS Division of Health Benefits.

While her appointment remains contingent upon confirmation by the North Carolina General Assembly, Deputy Secretary Bush will continue to lead North Carolina's Medicaid program, which now serves more than 3 million people statewide.



New NC Medicaid Pharmacy Benefit Administrator

Effective May 2, 2026, North Carolina Medicaid transitioned to a new Pharmacy Benefit Administrator (PBA), **Prime Therapeutics State Government Solutions LLC**, for NC Medicaid Direct beneficiaries. This change replaces NCTracks for Point-of-Sale (POS) claims to streamline pharmacy services, prior authorizations, and drug utilization reviews

[Pharmacy Benefit Administrator – NC Medicaid website](#)



Providers and pharmacies can expect:

- Streamlined pharmacy benefit administration;
- Improved coordination across providers and pharmacies;
- Enhanced access to pharmacy program information;
- More efficient claims processing and prior authorization workflows; and
- Increased transparency across pharmacy operations.





House Bill 696

As of April 30, 2026, Governor Josh Stein signed the \$319 million emergency Medicaid funding package (House Bill 696) to cover budget shortfalls for the 2025 – 2026 state fiscal year, preventing a shutdown of services for over 3 million beneficiaries.

NCDHHS is still evaluating to understand the specific impact of the proposed changes and will continue working with lawmakers to ensure efforts protect and strengthen access to care for all North Carolinians.

H.R. 1 Update

Sarah Gregosky

Chief Operating Officer

Division of Health Benefits (NC Medicaid)

Understanding the Impact of H.R.1 and the Federal Changes to Medicaid

- On July 4, 2025, the House Reconciliation bill (H.R. 1), previously known as the “H.R.1 One Big Beautiful Bill Act,” was signed into law. The federally mandated changes will have a significant impact to Medicaid.
- The new Medicaid provisions take effect over the next several years. They will change eligibility rules for some people and how Medicaid operates.



Eligibility Changes for Certain Non-citizens

Begins October 1, 2026

- Limits Medicaid to lawful permanent residents (“green card” holders), certain Cuban and Haitian entrants and individuals from the Compacts of Free Association nations.
- Excludes refugees, asylees and other humanitarian groups who were previously eligible for Medicaid coverage.
- Limits federal matching payments for Emergency Medicaid for individuals who would otherwise be eligible for expansion coverage except for their immigration status to the state’s regular Federal Medical Assistance Percentage (FMAP).



Who Will Lose Health Care Coverage

The following will lose Medicaid coverage October 1, 2026, if they have any of these immigration statuses:

- American Indians born in Canada or outside of the U.S. (including federally recognized tribal members that are not U.S. citizens)
- Battered Non-citizens (including spouse, parents and children)
- Lawfully Residing Veterans/Active-duty Service Members (including certain family members)
- Non-citizens with Iraqi or Afghan Special Immigrant Visas (including spouse and children)
- Hmong, Mien or Highland Laotian Non-citizens (including spouse and children)
- Applicants for Permanent Residence, Asylum or Temporary Protected Status
- Other Lawfully Residing Non-citizens



Who Will Keep Health Care Coverage

On October 1, 2026, only these citizen and immigration statuses (“qualified” statuses”) will keep their Medicaid coverage:

- U.S. citizens and U.S. nationals
- Lawful permanent residents (green card holders)
- Cuban and Haitian entrants
- Compacts of Free Association (COFA) migrants which are citizens of the Federated States of Micronesia, the Marshall Islands, and the Republic of Palau



What this Means for Their Medicaid

Starting October 1, 2026, if your immigration status is not a “qualified” status, you:

- Will lose Medicaid coverage, including doctor visits, prescriptions, mental health, dental and other services.
- May qualify for Emergency Medicaid if you get emergency medical care at a hospital emergency department.



Changes to Retroactive Coverage

Begins January 1, 2027

Member impact: Anyone applying for new Medicaid coverage

For individuals who apply for Medicaid benefits on or after January 1, 2027

- The mandatory retroactive coverage period changes from 3 months to 1 month prior to the month of application for some low-income adults ages 19 through 64 without disabilities (also known as the Medicaid expansion population)
- Limits retroactive coverage for children, adults age 65+ and individuals with disabilities to 2 months prior to the month of application.



Work and Community Engagement Requirements

Begins January 1, 2027

Member impact: Requires some low-income adults ages 19 through 64, without disabilities (also known as the Medicaid expansion population) who are current Medicaid beneficiaries or applying for Medicaid to work or participate in qualifying activities for at least 80 hours per month unless they meet an exemption.



Work and Community Engagement Requirements

This includes:

- Work or a work training program
- Volunteer in the community
- Attend school at least half-time (usually 6 credit hours a semester)
- A monthly income that is at least \$580 (the federal minimum wage times 80 hours, $\$7.25 \times 80 = \580 per month).
- A seasonal worker whose average monthly income for the last 6 months is at least \$580 (equal to the federal minimum wage)

NOTE: Activities can be combined but must add up to 80 hours a month.



Work and Community Engagement Requirements

What does this mean?

For recertification (renewal)

- Anyone ages 19 through 64 (also called Medicaid expansion) currently enrolled in Medicaid must complete 80 hours of qualifying activities for 3 of the 6 months during their certification period.
- For example, if your certification period is from January to June, you must complete your activities for 3 of those months to qualify for your next certification period.

To apply for Medicaid

- Anyone ages 19 through 64 applying for Medicaid, must show proof in their application they worked, attended school or took part in community activities for 80 hours each month of the 3 months before the month they apply for Medicaid.
- For example, if they apply on April 1, they must show they did their activities in January, February and March for their application to be considered.



Who is Exempt from the Work and Community Engagement requirement

- Children up to age 19
- People with disabilities, receiving Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI)
- Adults age 65 or older
- Women who are pregnant or eligible for postpartum coverage (12 months after a pregnancy ends)
- Former foster care children up to age 26 and those currently in foster care
- Parent or caregiver of a child up to age 14
- Parent or caregiver of people with disabilities



Who is exempt from the work/community engagement requirement?

- Veterans with a total disability (100%)
- American Indian/Alaska Natives
- People who are medically frail*
- People enrolled in a substance use disorder treatment program
- People who are incarcerated or people who have been released from incarceration in last 90 days
- People who qualify for Medicare

* *Criteria still to be determined*



6-month Eligibility Recertification for Certain Beneficiaries

Begins January 1, 2027

Member impact: Some low-income adults ages 19 through 64 without disabilities (also known as the Medicaid expansion population) must have their Medicaid eligibility recertified (renewed) every 6 months instead of the traditional 12 months.

This applies to those applying for or renewing their Medicaid coverage.



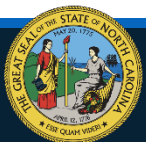
Additional Resources

H.R. 1 webpage

- Available in English and Spanish
- Will be updated regularly with additional information
- medicaid.ncdhhs.gov/HR1

The screenshot shows the official website of the North Carolina Department of Health and Human Services (NCDHHS). The page is titled "The Impact of H.R.1 and Federal Changes to Medicaid". The header includes the NCDHHS logo and navigation links for "About NC Medicaid", "Beneficiaries", "Find a Doctor", "Providers", "Reports", "Meetings/Notices", and "Counties". A search icon is also present. The main content area features a large blue banner with the text "NEW RULES" and "The Impact of H.R.1 and Federal Changes to Medicaid". Below the banner, there is a breadcrumb trail: "Home > Beneficiaries > The Impact of H.R.1 and Federal Changes to Medicaid". A "ON THIS PAGE" dropdown menu is visible, with "Versión en español" as an option. The main heading is "What is H.R. 1 and the Federal Changes to Medicaid?". Below this heading, a paragraph states: "Federally mandated changes will have a significant impact on Medicaid. They will change eligibility rules for some people and how Medicaid operates." On the right side, there is a sidebar menu with the following items: "Beneficiaries", "How To Apply", "Medicaid Health Plans and Programs", "Medicaid Programs and Services", "Medicaid Reauthorization", "Non-Emergency Medical Transportation (NEMT)", and "The Impact of H.R.1 and Federal Changes to Medicaid".

Note: Information may change with the Centers for Medicare & Medicaid final rule.



Overview the Medicaid Expansion Notice

- NC Medicaid is required to send a notice to those who could be impacted by the Work and Community Engagement Requirements
- With the lookback period changing from one to three months, this notice must be sent by the end of June 2026
- NC Medicaid plans to automate verification of qualifying work and community engagement activities and exceptions as much as possible (i.e., new data sources) to limit the burden on the beneficiary and the local DSS.

The notice was redacted because it has not been approved for external distribution. All final, approved notices and guidance from CMS will be shared once they are officially released.



Closing

Monica F. Johnson
Engagement Manager
Office of Communication and Engagement
Division of Health Benefits (NC Medicaid)

H.R.1 Federal Updates Train-the-Trainer session

As part of our upcoming **May 13 CCM presentation**, we are identifying team members interested in participating in the **H.R.1 Train the Trainer sessions**. Participants in this training will:

- Receive instruction on delivering the H.R.1 requirements
- Be expected to present this information within their community
- Be required to attend one full Train the Trainer session

Please complete this form if you are interested in participating: [H.R.1 Train the Trainer Interest Form](#)

Questions or Comments please email Medicaid.NCEngagement@dhhs.nc.gov



Expand our Network

Feel free to invite community partners to join the workgroup! Check the chat for the survey link, which will also be included in the meeting notes.

[CCM Interest Form](#)



Additional Questions?

Contact us at:

Medicaid.NCEngagement@dhhs.nc.gov



Next Meeting

Wednesday, June 10

NC Medicaid understands that together, we can create meaningful impact and improve health outcomes for all Medicaid beneficiaries.

