NC Medicaid H.R.1 Public Outreach Presentation

This deck communicates important information about federal changes to Medicaid. It is designed to help people prepare for these changes, so that all eligible North Carolinians keep their Medicaid health coverage.

The presentation is:

- Written with the goal of helping guide people on next steps.
- Provides detailed notes and explanations for presenters to reference.
- Meant to be shared with audiences with varying levels of knowledge.
- A living document to be updated and refined as the new federal guidance is shared and feedback is gathered.
- Available in both English and Spanish.
- Designed for accessibility, therefore please do not change colors or add highlighting, etc. to the presentation. The deck has been formatted for the use of a screen reader.

Training is available for interested speakers.

NCMEDICAID

NC Medicaid
H.R. 1 Overview



NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES
Division of Health Benefits

Medicaid strengthens North Carolina

Medicaid provides affordable health coverage and access to doctors and prescriptions for more than 3 million children, older adults, people with disabilities and working North Carolinians – that is 1 in 4 North Carolinians.

- Rural communities rely on Medicaid. In many rural counties, Medicaid provides health coverage to more than half of the population. And Medicaid is a major source of funding for rural hospitals.
- Medicaid supports North Carolina’s businesses and workforce and brings billions of dollars into the state's economy.
- Medicaid makes people healthier. North Carolinians newly covered by Medicaid under expansion have filled more than 5 million prescriptions for conditions like heart disease, diabetes, seizures and other illnesses.
- Since Medicaid expanded, there has been a 29% decrease in overdoses.

Federal law is changing who can get Medicaid health coverage

Despite Medicaid's positive impact on people, communities and our State, changes are coming that will make it harder for some people to be covered.

- In 2025, Congress passed and the President signed a law that makes many changes to Medicaid.
- This law is referred to as the House Reconciliation Bill, H.R. 1, or the One Big Beautiful Bill.
- This presentation focuses on four big changes that will soon take place for people who have or are applying for health coverage through Medicaid.
    1. Many non-U.S. citizens will no longer be able to have Medicaid coverage.
    2. Most adults ages 19 through 64 will have to show they participated in an approved activity, like work, school or volunteering to be able to have health coverage through Medicaid.
    3. Most adults ages 19 through 64 will have to recertify (renew) their Medicaid every 6 months. That is a change from the current every 12 months.
    4. Changes to the length of retroactive coverage for all applying for Medicaid

Our commitment to you

The North Carolina Department of Health and Human Services and NC Medicaid are committed to getting you the information you need to know.

We are focused on helping people who are still eligible for Medicaid or applying for Medicaid understand the new federal rules to keep or get health coverage through Medicaid.

We do not have all the answers from the federal government. We will tell you what we know, and what we don’t know. And we will update information when we have it.



New Federal Rules for Non-citizens



Non-citizens are the first impacted

Beginning October 1, 2026, federal law **will only allow** the following non-citizens to have health coverage through Medicaid:

- Lawful permanent residents (people with a green card)
- Children up to age 19 and women who are pregnant or within 12 months postpartum (after birth), who are lawfully residing in the United States but do not have permanent immigration status
- People with Cuban or Haitian entrant status
- Citizens of the Freely Associated States (Micronesia, Marshall Islands or Palau) living in the U.S.

What does it mean if you are no longer eligible for Medicaid?

Starting October 1, 2026, if you are a non-citizen who **is no longer eligible** for Medicaid you:

- Will lose Medicaid coverage, including the ability to go to the doctor, get prescriptions or receive mental health, dental and other services.
- May qualify for Emergency Medicaid if the medical need is determined to meet the emergency criteria and the person meets all other factors of eligibility for Medicaid.



What can you do if you lose Medicaid?

1. If your status has changed and you are now a lawful permanent resident (green card) holder, make sure your local Department of Social Services (DSS) has the correct information.

2. You can also get basic health care services at federally qualified health centers, rural health clinics and free and charitable clinics. Costs vary based on income. Learn more at ncdhhs.gov/divisions/office-rural-health/safety-net-resources



New Federal Requirements for Most Adults Ages 19 through 64



Medicaid Expansion

First - how do I know if I am enrolled under Medicaid expansion?

- Medicaid expansion beneficiaries includes low-income adults ages 19 through 64, who are not pregnant, do not have a disability and get their health insurance through NC Medicaid.
- People who earn up to 138% of the federal poverty level, which is about $21,610 per year for a single person, are considered low income.
- Beneficiaries should ask their local Department of Social Services caseworker if they are not sure if they are enrolled under Medicaid expansion.
- To find their local Department of Social Services, there is an online directory at dhhs.nc.gov/localdss or they can call the Medicaid Contact Center at 1-888-245-0179 (TTY Relay Services: Call 711) to find the DSS closest to them.

** More information on the 2026 Federal Poverty Limits can be found at medicaid.ncdhhs.gov/eligibility*

Many adults will have new requirements



Beginning January 1, 2027, most adults who have or apply for health coverage through Medicaid will need to work or participate in approved activities.

These rules apply to adults who are ages 19 through 64 who:

- Do not have a disability
- Are not pregnant or eligible for postpartum coverage (12 months after a pregnancy ends)
- Are not a parent, guardian, caretaker relative or family caregiver of a dependent child under age 14 or a person with a disability
- Do not qualify for an exception or exclusion

Exceptions



Exceptions include:

- Children up to age 19
- People who qualify for Medicare
- People who get Supplemental Security Income (SSI) or Social Security Disability Insurance or (SSDI)
- People who were incarcerated (in jail or prison) at some time during the last 3 months

Exclusions



Excluded individuals are not subject to work requirements and are evaluated in month of application. This includes:

- "Medically frail" – A person with special medical needs that significantly impact their ability to comply with the work and community engagement requirement, including:
  - Blind or Disabled
  - Have a Substance Use Disorder
  - Have a Disabling Mental Disorder
  - Have a Serious or Complex Medical Condition
  - Have a physical, intellectual or developmental disability that impairs their ability to perform 1 or more activities of daily living
- Participants in a drug addiction or alcohol treatment and rehabilitation program
- Parents, guardians, caretaker relatives or family caregivers of a dependent child under age 14 or a person with a disability

Exclusions Continued



- Veterans with a total disability rating (100%)
- Members of a household receiving Supplemental Nutrition Assistance Program (SNAP) and not exempt from SNAP work requirements
- People who already meet the work rules for Temporary Assistance for Needy Families (TANF)
- American Indians, Alaska Natives or other members eligible for Indian Health Services (IHS)
- Former foster care youth under age 26 and those currently in foster care
- Inmates of a public institution (prison or jail)

Medical Frailty



"Medically frail" means someone has a serious health condition.

- NC Medicaid will first try to identify people automatically using health information it already has, such as diagnoses, services, medications and medical equipment.
- Some people will qualify based on one condition or service. Others may qualify based on a combination of health needs.
- If NC Medicaid identifies you as medically frail, you will not need to provide more information or meet the work and community engagement requirement.
- If NC Medicaid does not have enough information, you or your health care provider can provide it. More details about how to submit information will be available later this year.

Short-term Hardship Exceptions



Sometimes a health problem, disaster or lack of available jobs can make it hard to meet the new work rule and community engagement requirement. If one of these situations applies to you, you may not have to meet the requirement for a limited time.

You may qualify for a short-term hardship exception if you:

- Recently needed serious medical care. You received inpatient care in a hospital, nursing facility, psychiatric hospital or certain other facilities in the past 3 months.
- Had to travel for medical care. You or someone you care for had to travel outside your community for an extended period to get needed medical care that was not available nearby.

Short-term Hardship Exceptions Continued



You may qualify for a short-term hardship exception if you:

- Live in an area affected by a major emergency or disaster. The President has declared an emergency or disaster in your county.
- Live in an area with very high unemployment. Your county's unemployment rate meets the federal standard for an exception.

If you think you qualify because of recent medical care or travel for medical care, contact your local Department of Social Services (DSS).

Work and Community Engagement Requirements



To have health coverage through Medicaid, adults ages 19 through 64 who do not meet an exception or an exclusion, must:

- Have a monthly income that is at least $580 (can include money from other people in your household, such as your husband or wife)
- Work at a paid job, in-kind work or participate in a work training program
- Volunteer in the community
- Attend school at least half-time (usually 6 credit hours)
- Be a seasonal worker whose average monthly income for the last 6 months is at least $580 (equal to the federal minimum wage)

These activities can be combined. They must add up to 80 hours for the month. To find out if an activity meets the requirements, contact your local Department of Social Services.

Work and Community Engagement Requirements



What counts as work?

In addition to a paid job, the law allows:

- **Job Search.** A supervised job search, a structured employment program where people look for jobs with support from a counselor or job search training. Job search activities conducted to meet unemployment insurance requirements also count. These hours must be less than half of the required 80 hours each month.
- **In-kind work.** This is work where you are paid with something other than money. For example, a property manager who receives free rent in exchange for building duties can meet the 80-hour requirement.
- **Unpaid work.** This is different from community service as it can benefit a private company or an individual. This includes internships, a trial work period and unpaid caregiving hours of a family caregiver, who does not meet the exclusion of parents, guardians, caretaker relatives or family caregivers of a dependent child under age 14 or of a person with a disability.

Work and Community Engagement Requirements



What counts as volunteering?

- The activity must be completed through a structured program under a non-profit or public organization for the direct benefit of the community. This can be voluntary or court ordered.

What counts as education?

- This includes college, career and technical education (CTE), high school and GED programs.
- Enrollment is determined by the institution and continues through academic breaks.
  - For example, an individual who graduates from high school in May, enrolls in community college mid-August and applies for Medicaid in July will satisfy the requirements because their status before their break was full-time high school enrollment and within the normal rhythm of school schedules.

Work and Community Engagement Requirements



How many hours do I need to work or take part in an approved activity?

When you apply for Medicaid:

- Starting January 1, 2027, adults ages 19 through 64 that apply for Medicaid may have to show proof they worked, went to school or volunteered for 80 hours **each month of the 3 months** before they applied for Medicaid.
- For example, if you apply for Medicaid coverage on April 1, 2027, and you do not have an exception or exclusion, you must show that you completed 80 hours of approved activities in the months of January, February and March. If you do not show activities for all 3 months, you may not get health coverage through Medicaid.

Work and Community Engagement Requirements



You will need to renew your Medicaid more often

When you renew your Medicaid

- Most adults ages 19 through 64 will need to recertify (renew) their Medicaid every 6 months instead of once a year – even if they meet an exception or exclusion.
- When you renew your Medicaid, you may have to show proof you worked, went to school or volunteered for 80 hours **for 3 of the 6 months** of your certification period.
- For example, if Mary's certification period is from January to June, and she does not have an exception or exclusion, she must report her work, school or volunteer activities for 3 of those months to keep her Medicaid benefits for her next 6-month certification period. The months do not have to be in a row, she could report her 80 hours for the months of January, March and May

NOTE: This does not apply to American Indians, Alaska Natives or other members eligible for Indian Health Services (IHS)

Work and Community Engagement Requirements



What do you need to do?

If you are an adult ages 19 through 64:

1. Look at the NC Medicaid website to see if you meet an exception or exclusion.
   If you do, you do not need to work, go to school or volunteer.
2. **If you do not** qualify for an exception or exclusion, save your pay stubs, school records and volunteer logs. You may need to share them with your local Department of Social Services.
3. Make sure your contact information is correct with your local Department of Social Services. If they need information, they will mail you a letter to let you know, so it is important to have your correct address on file!

Work and Community Engagement Requirements



Keep your coverage

If you do not **meet an exception or exclusion** from work and community engagement *and* you **do not complete the 80 hours** required for work, school or volunteer activities each month, **you may lose** full health coverage through Medicaid.

New Federal Rules for Retroactive Coverage



When does Medicaid coverage begin?

The date Medicaid coverage begins depends on when you apply. Medicaid may be able to pay medical bills for care provided before you applied for Medicaid. This is called “retroactive coverage.”

Beginning in 2027, Medicaid will cover eligible care you received up to 1 month before you applied.

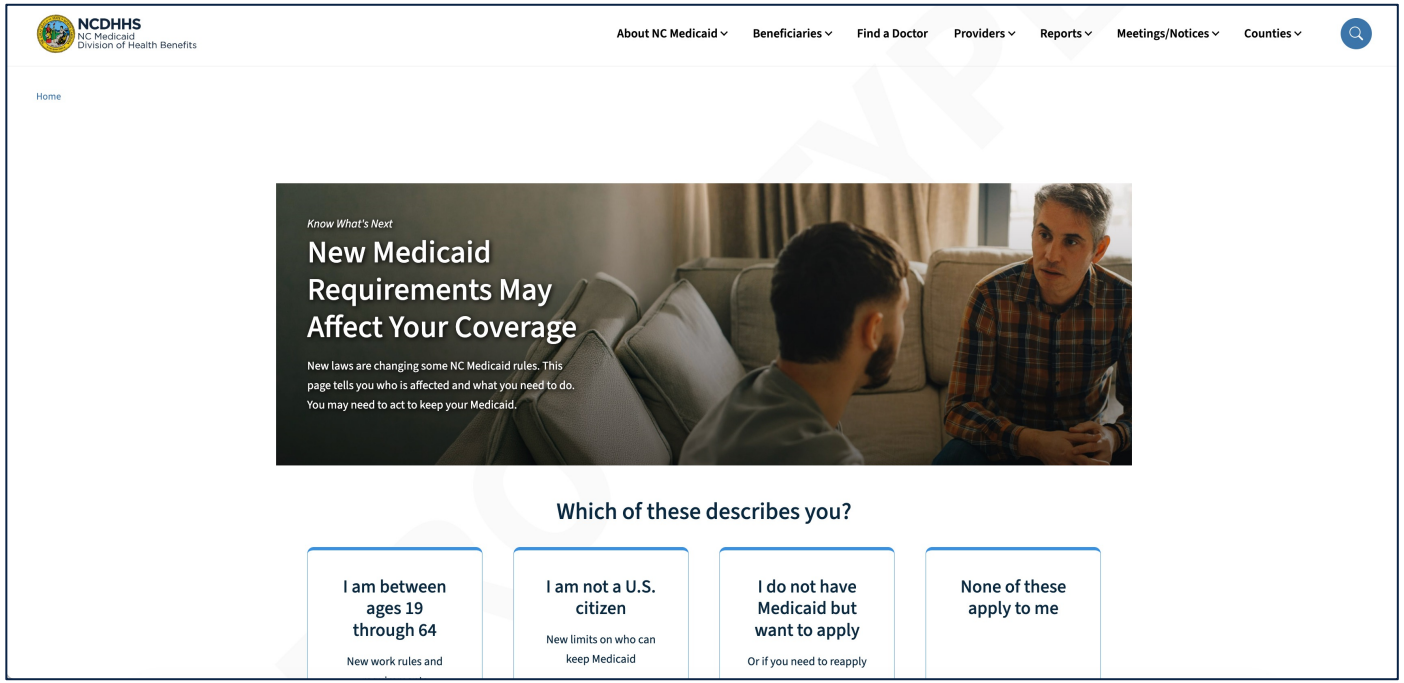
- **Most adults ages 19 through 64 who do not have a disability:** Starting January 1, 2027, Medicaid will cover up to 1 month of health care costs incurred before you submit your application.* This used to be 3 months.
  - For example, if you apply in March 2027 and you are eligible, Medicaid can pay bills for covered services from February 2027.
- **Children, adults 65 and older, and people with a disability:** Starting January 1, 2027, Medicaid will cover up to 2 months of health care costs incurred before you submit your application.* This used to be 3 months.
  - For example, if you apply in April 2027 and you are eligible, Medicaid can pay bills for covered services from February and March.

** If eligible for Medicaid that month.*

Additional Resources

Visit **medicaid.nc.gov/changes**.

- Available in English and Spanish (**medicaid.nc.gov/cambios**)
- Will be updated regularly with additional information



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

Thank you!

To fill out the Train the Trainer interest form, scan the QR code:

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