

# NC Medicaid Back Porch Chat

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## August Back Porch Chat

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NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**  
Division of Health Benefits



# **An Overview of H.R. 1**

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## Our commitment to you

The NC 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.

# H.R. 1 Overview

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

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- On July 4, 2025, 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

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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

# H.R. 1 Overview

## Who Will Lose Health Care Coverage

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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

# H.R. 1 Overview

## What this Means for Their Medicaid

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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 the medical need is determined to meet the emergency criteria and the person meets all other factors of eligibility Medicaid.

## Changes to Retroactive Coverage

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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 January 1, 2027, retroactive coverage is shorter for people applying for Medicaid.

- Most adults ages 19 through 64 without disabilities who are eligible for Medicaid (can have their medical bills covered for 1 month prior their application.\* This used to be 3 months.
  - For example, if you apply in September and you are eligible, Medicaid can pay bills for covered services from August.
- Children, adults age 65 and older and individuals with disabilities can have their medical bills covered for 2 months prior to their application.\* This used to be 3 months.
  - For example, if you apply in September and you are eligible, Medicaid can pay bills for covered services from July and August.

*\* If eligible for Medicaid that month.*

# H.R. 1 Overview

## Work and Community Engagement Requirements

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### How to know if 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](https://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](https://medicaid.ncdhhs.gov/eligibility)

# H.R. 1 Overview

## Work and Community Engagement Requirements

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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 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

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### 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

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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 affects their ability to comply with the work and community engagement requirement, including those who are:
  - Blind and Disabled
  - Have a Substance Use Disorder
  - Have a Disabling Mental Disorder
  - Have a physical, intellectual or developmental disability that impairs their ability to perform 1 or more activities of daily living
  - Have a Serious or Complex Medical Condition
- Participates 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

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- 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)
- Pregnant or eligible for postpartum coverage (12 months after a pregnancy ends)

# H.R. 1 Overview

## Work and Community Engagement Requirements

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

- Work at a paid job, in-kind work or a participate in a work training program
- Volunteer in the community
- Attend school at least half-time (usually 6 credit hours)
- Have a monthly income that is at least \$580
- 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

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**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

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### **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

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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.

# H.R. 1 Overview

## Work and Community Engagement Requirements

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### When you renew your Medicaid

- Starting January 1, 2027, most adults ages 19 through 64 will need to renew (recertify) 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 (HIS)

# Additional Resources

## H.R. 1 webpage

- Available in English and Spanish
- Will be updated regularly with additional information
- [medicaid.ncdhhs.gov/HR1](https://medicaid.ncdhhs.gov/HR1)

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



[Home](#) > [Beneficiaries](#) > [The Impact of H.R. 1 and Federal Changes to Medicaid](#)

## Medicaid is Changing

[Versión en español](#)

New laws are changing the rules for NC Medicaid. Some people will need to follow new rules to keep their coverage. Some non-citizens will lose their coverage. This page tells you what is changing and what you need to do.

There are four important things to know:

1. [Many adults ages 19 through 64 will have to show they work or participated in an approved activity.](#)
2. [Many adults ages 19 through 64 will have to renew Medicaid every six months.](#)
3. [Medicaid may pay medical bills for care provided before you apply.](#)
4. [Many non-citizens will no longer be able to have Medicaid coverage.](#)

### Beneficiaries

[Apply for Medicaid](#)

[Medicaid Health  
Plans and Programs](#)

[Medicaid Programs  
and Services](#)

[Medicaid  
Recertification](#)

[The Impact of H.R. 1  
and Federal Changes  
to Medicaid](#)