MITIGATING THE HARM FROM THE REPUBLICAN MEGABILL'S MAJOR CHANGES TO MEDICAID

December 18, 2025

Background

H.R. 1 enacted in July makes numerous changes to Medicaid, which will cause millions to lose eligibility, shift new responsibilities and costs to states and localities, and imperil the viability of many rural and safety net health care providers. A large share of those likely to lose eligibility remain eligible and should remain covered, but their fate will largely depend on actions taken by states, advocacy groups, health care providers, and others to ease the administrative burdens the law creates.

This outline for potential work focuses on the law's work requirement, which, according to the Congressional Budget Office, will be responsible for more than half of the coverage loss (5.3 million people) from H.R. 1. Most of those losing coverage will become uninsured. For a summary of the work requirement provisions in H.R. 1, see *Medicaid, CHIP, and Affordable Care Act Marketplace Cuts and Other Health Provisions in the Budget Reconciliation Law, Explained*. CBPP's state and congressional district estimates of coverage loss from the work requirements are here. While focusing on the work requirement, much of what is suggested here could be helpful in mitigating the harm from other provisions such as the additional burden of a six-month renewal process.

There are four major areas of work that advocacy groups can undertake to mitigate the harm, all which should start as soon as possible, well before the work requirement's effective date of January 1, 2027:

- Administrative and legislative advocacy
- Public drumbeat on harm
- Direct outreach to directly impacted
- Data, tracking, monitoring

CBPP recognizes that some state advocates may be focused on only some of these strategies; below we provide a menu of options, and our team is available to provide technical assistance as you craft your plans. We plan to update and reshare this document as we develop new shared resources.

Administrative and Legislative Advocacy

State advocates have an opportunity to ensure that their states are taking every possible step to mitigate the harm from the work requirements. This work should primarily be directed at state Medicaid agencies, but strategic alliances with key legislators may help achieve the best possible outcomes depending on state dynamics. This outline provides just the major areas for work. The Center on Budget and Policy Priorities' *Guide to Reducing Coverage Losses Through Effective Implementation of Medicaid's New Work Requirement*, and a companion list of questions advocates can ask their agencies provide a detailed road map for accomplishing much of this work and can be consulted to develop a detailed work plan. We will continuing building on these resources as the federal government provides more clarity about implementation requirements.

Main areas of work include:

- **Getting the policy right** including well-defined, easily verified, exemptions such as for those who are "medically frail" and broad definitions of hardships for temporary exemptions, accepting people's statements without burdensome paperwork to qualify them for exemptions, and limiting compliance checks to one month at renewal and application.

- **Maximizing the use of data** to determine exemptions and compliance to avoid burdensome paperwork requirements. For example,
  - Ensure that the state is maximizing the use of wage data, which will be especially helpful in states with higher minimum wages. The law deems people to be compliant if they have earnings at 80 times the federal minimum wage of $7.25, which is $580. In states with higher minimum wages, the test will be met with fewer hours making it even more important that states use wage data. (See the discussion of consent-based verification in the CBPP guide, which allows people in the gig economy and others to easily verify compliance.) Advocate for the state to work with managed care organizations and use their own medical claims and other data to deem people medically frail and therefore exempt from the work requirement without requiring burdensome documentation.
  - Work with Higher Education to automate the verification process for students.
  - Utilize data from other programs especially SNAP and TANF.

- **Getting the right technology** to collect the necessary information for work requirements as part of the application and renewal process, streamline verification, allow for the use of mobile phones when action is required, and to collect and publish data. (See CBPP's explainer for more information about enhanced federal matching funds that are available to build, maintain, and operate eligibility systems.)

- **Ensure that notices and other enrollee communications** use multiple communication modes, are designed to be read and understood including by those with limited English proficiency, and go through rigorous consumer testing to ensure their efficacy. Encourage the agency to clearly communicate about who is/isn't impacted by requirements (e.g., be clear that parents and caretaker relatives who are not eligible as part of the Medicaid expansion group are not subject to their work requirements).

Public Drumbeat on Harm

When developing a work plan, we recommend that advocates also consider standing up complementary public-facing campaigns—using themes such as *"Protect Our People"*—to elevate visibility and accountability around state agency decisions and administrative leadership actions as well as the harm that could come from decisions. These campaigns can help reinforce pressure for policy choices that minimize coverage loss during implementation and broaden engagement beyond traditional policy advocates by creating accessible entry points for community-based organizations, impacted individuals, and partners who may not typically participate in administrative advocacy. It will also set a firm foundation for the public drumbeat on harm that we will want to highlight as policies are implemented.

Direct Outreach to Directly Impacted

It's critical that Medicaid enrollees, advocates, social service and health care providers, and others know the basics of the work requirements especially who is affected, when the requirements begin, and what people need to do to remain covered. With all the publicity on H.R. 1, it's important that people don't assume they are no longer eligible if they aren't working or that they are subject to the work requirement even if they are not, or even that the work requirement has already started.

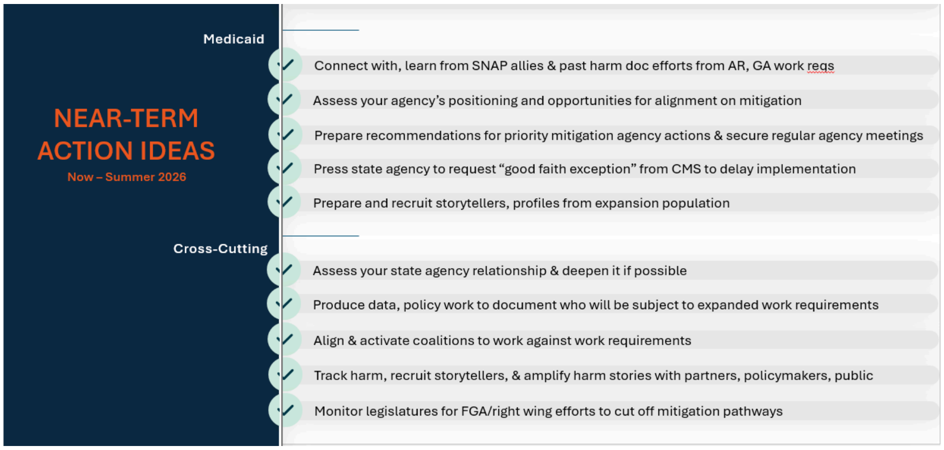
Community education and outreach should start as soon as possible to provide the basic information and establish a network of knowledgeable individuals and organizations that can assist in mitigating the harm once implementation is underway. A plan for community education and outreach should identify key informants and access points for consumer education, outreach and direct assistance and utilize multiple pathways, including social media and press work. It will be important to ensure that clear and accurate information is available – in part to avoid a chilling effect of people deciding not to apply for Medicaid because they aren't working when in fact they may not be in an impacted eligibility group or may be entitled to an exemption. We will have more materials on this too.

Data, Tracking, and Monitoring

Monitoring is critically important to assess where course corrections are needed and to build community support for effective implementation. At the outset, advocates should monitor their state agency's implementation plans, including how they plan to collect and report data, what vendors they are using, how they will notify enrollees, especially those who are most vulnerable and hard-to-reach, and what outreach the agency plans to undertake. As noted in our "Key Questions" document, now is the time to push state agencies to commit to reporting data on application and renewal outcomes so that they can build in reporting capacity now. Later, when the work requirement is implemented, in addition to data analysis, state advocates should work to understand and assess the consumer experience to see where changes in implementation should be made and contribute to the larger narrative, using social media and other communications, of the harm of work requirements that take coverage away from people.

Getting Started

Building a step-by-step workplan including the following near-term action steps is a way to put the ideas described here into action.



NEAR-TERM ACTION IDEAS

Now – Summer 2026

Medicaid

- ✓ Connect with, learn from SNAP allies & past harm doc efforts from AR, GA work reqs
- ✓ Assess your agency's positioning and opportunities for alignment on mitigation
- ✓ Prepare recommendations for priority mitigation agency actions & secure regular agency meetings
- ✓ Press state agency to request "good faith exception" from CMS to delay implementation
- ✓ Prepare and recruit storytellers, profiles from expansion population

Cross-Cutting

- ✓ Assess your state agency relationship & deepen it if possible
- ✓ Produce data, policy work to document who will be subject to expanded work requirements
- ✓ Align & activate coalitions to work against work requirements
- ✓ Track harm, recruit storytellers, & amplify harm stories with partners, policymakers, public
- ✓ Monitor legislatures for FGA/right wing efforts to cut off mitigation pathways