

## Medicaid Work Reporting Requirements: Verifying Compliance and Exemptions

Prepared by: Kinda Serafi, Lisa Sbrana and Liz Dervan, Manatt Health

*Updated November 5, 2025*

[H.R.1](#) requires states to implement mandatory work reporting requirements by January 1, 2027, for adults ages 19 through 64 who are enrolled through Medicaid expansion or expansion-like coverage under a section 1115 waiver. The statute establishes a prescriptive framework for compliance activities and “specified excluded individuals” who are exempt. To identify compliance with or exemption from this new condition of Medicaid eligibility, states must use an *ex parte* verification process. Specifically, the statute requires that states must “establish processes and use reliable information available to the State (such as payroll data or payments or encounter data...) without requiring, where possible, the applicable individual to submit additional information.”<sup>1</sup> To meet the aggressive implementation timeline required by federal law, states will need to commence a current state assessment, if they have not yet already, of which data sources are currently available and which data sources require new state builds and/or data matching processes. For example, most states will need to commence entirely new state builds to conduct data matching against their claims and encounter data to identify individuals who may be exempt. As part of a state’s implementation planning, state work to finalize eligibility business rules, identify which data feeds need to be built, and develop information technology (IT) system change requests, including submitting Advance Planning Documents, should all be complete no later than December 2025 (for more information, see the State Health and Value Strategies toolkit [Medicaid Work Reporting Requirements: Implementation Planning Milestones](#)). States should prioritize new state IT system builds and data matching processes based on the number of people it could potentially identify as compliant with or exempt from work reporting requirements. For example, states may wish to prioritize income data sources that verify work compliance and claims data that can identify medical frailty exemptions over data sources that can identify participation in community service.

The following tables lay out the federal statutory definitions for qualifying activities, mandatory exemptions, and optional temporary hardship exemptions. For each of these features, the table describes whether such criteria could be verified via an *ex parte* review, data sources that are currently available and new potential state builds, the potential duration of each qualifying activity or exemption [pending confirmation from the Centers for Medicare and Medicaid Services (CMS) guidance which is not expected to be released until June 2026], and whether a state needs to

---

<sup>1</sup> [H.R.1](#), One Big Beautiful Bill Act, Section 71119 (a)(5).

add a new question to its single streamlined application. The tables also describe where CMS could support states by establishing new centralized data sources that could be accessed through the federal data services hub.<sup>2</sup>

---

<sup>2</sup> The federal data services hub currently provides access to data sources that assist states in verifying the following: social security number verification via the Social Security Administration; citizenship/immigration status verification via the Social Security Administration or the Department of Homeland Security (DHS), as appropriate; incarceration verification via the Social Security Administration; Title II benefit income information via the Social Security Administration; quarters of coverage information via the Social Security Administration; Modified Adjusted Gross Income information from the Internal Revenue Service (IRS); and income and employment verification via the Work Number. More information is available [here](#).

**Table 1. Qualifying Activities**

Qualifying Activities	H.R.1 Statutory Definition	Available Data Source <sup>3</sup> : Current or Future Build (State or Federal Data Services Hub)	Duration of Verification: Permanent or Requires Re-Verification	New Question Required for Application or Is Information Already Collected <sup>4</sup>
Income of at least \$580/month (as of 2025)	“The individual has monthly income that is not less than the applicable minimum wage requirement under <a href="#">section 6 of the Fair Labor Standards Act of 1938, multiplied by 80 hours</a> ”	Current and potential future state builds (if not used already): <ul style="list-style-type: none"> <li>• Work Number</li> <li>• Quarterly Wage Data<sup>5</sup></li> <li>• Gig economy income data sources</li> <li>• Other commercial sources of income [e.g., Bank Statement application programming interface (API) services]<sup>6</sup></li> <li>• Social Security Administration Beneficiary and Earnings Data Exchange (BENDEX), State Data Exchange (SDX)</li> <li>• State unemployment data</li> <li>• State pension data</li> </ul>	Requires reverification	Data already collected

<sup>3</sup> H.R.1 expressly permits states to accept attestations from individuals as to whether they qualify for a mandatory exemption. See section 1902(xx)(3)(A) of the Social Security Act (“(A) Mandatory Exception For Certain Individuals.—The State shall deem an applicable individual to have demonstrated community engagement under paragraph (2) for a month, and may elect to not require an individual to verify information resulting in such deeming,” if the individual, for part or all of a month, was a “specified excluded individual,” under the age of 19, eligible for Medicare or another Medicaid eligibility group, or an inmate of a public institution.) It is unclear how CMS will implement this flexibility. As a general matter, under federal regulations, states are able to rely on attested information in an application when determining Medicaid eligibility unless federal law specifically requires a state to verify that information (such as for income, citizenship, or immigration status). See 42 C.F.R. § 435.945(a).

<sup>4</sup> This column reflects questions needed for paper application; online application could use smart logic to skip questions not needed. Analysis based on the [Single Streamlined Model Application](#).

<sup>5</sup> Government-collected wage records submitted by employers; used for verifying periodic income.

<sup>6</sup> Some platforms enable verifiers to check direct deposit activity and regular income inflows via transaction history.

Qualifying Activities	H.R.1 Statutory Definition	Available Data Source <sup>3</sup> : Current or Future Build (State or Federal Data Services Hub)	Duration of Verification: Permanent or Requires Re-Verification	New Question Required for Application or Is Information Already Collected <sup>4</sup>
		<ul style="list-style-type: none"> <li>State child support data</li> <li>Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) income data</li> </ul>		
Average monthly income of at least \$580/month for seasonal worker over six month period	<p>“The individual had an average monthly income over the preceding 6 months that is not less than the applicable minimum wage requirement under <a href="#">section 6 of the Fair Labor Standards Act of 1938</a> multiplied by 80 hours, and is a seasonal worker, as described in <a href="#">section 45R(d)(5)(B) of the Internal Revenue Code of 1986</a>”</p>	<p>Current and potential future state builds (if not used already):</p> <ul style="list-style-type: none"> <li>Federal Tax Information (FTI), if individual files taxes</li> <li>Quarterly Wage Data</li> <li>Gig economy income data sources</li> <li>Other commercial sources of income [e.g., Bank Statement API services]</li> <li>BENDEX, SDX</li> <li>State unemployment data</li> <li>State pension data</li> <li>State child support data</li> <li>SNAP and TANF income data</li> </ul>	Requires reverification	New
80 hours of work	“The individual works not less than 80 hours”	<p>Note: Numbers of hours do not need to be verified if the individual’s income has been verified as at least \$580/month (See above row)</p> <p>Current and potential future state builds (if not used already):</p>	Requires reverification	Application asks for “average hours worked each week”

Qualifying Activities	H.R.1 Statutory Definition	Available Data Source <sup>3</sup> : Current or Future Build (State or Federal Data Services Hub)	Duration of Verification: Permanent or Requires Re-Verification	New Question Required for Application or Is Information Already Collected <sup>4</sup>
		<ul style="list-style-type: none"> <li>• Work Number<sup>7</sup></li> <li>• Employer payroll reports</li> <li>• Consent-based verification of:               <ul style="list-style-type: none"> <li>- Traditional W-2 income through connections to payroll providers, employers, or bank accounts; and</li> <li>- Self-employment income through connection to gig platforms (e.g., SteadyIQ<sup>8</sup>) and/or connections to bank accounts</li> </ul> </li> </ul> <p>Potential future federal data sources build:</p> <ul style="list-style-type: none"> <li>• Centralized payroll data</li> <li>• Centralized gig economy data</li> </ul>		
80 hours of work program	“The term ‘work program’ has the meaning given such term in <a href="#">section 6(o)(1) of the Food and Nutrition Act of 2008</a> ” <sup>9</sup>	<p>Potential future state build:</p> <ul style="list-style-type: none"> <li>• States could potentially build connections to work program participation data</li> </ul>	Requires reverification	New

<sup>7</sup> Automated service by Equifax that provides real time employment and income data directly from employers and payroll providers.

<sup>8</sup> Steady IQ data is a user-permissioned, browser-based income verification solution that includes tax documents (W-2 and 1099s), bank statements, and non-traditional data sources. It may include hours worked if individuals submit pay stubs or connect to a gig work platform. SteadyIQ is used by various states and cities to verify income for public benefit programs, including the Missouri Department of Social Services, Louisiana Workforce Commission, Alabama Workforce Commission, Georgia Department of Human Services, and the Nevada Department of Health and Humans Services.

<sup>9</sup> Defined as: (1) a program under Title 1 of the [Workforce Innovation and Opportunity Act](#) (29 U.S.C. 3111 et seq.); (2) a program under section 2296 of title 19; (3) a program of employment or training operated by a State or political subdivision of a State that meets standards approved by the Governor of the State, including a program under subsection (d)(4), other than a supervised

Qualifying Activities	H.R.1 Statutory Definition	Available Data Source <sup>3</sup> : Current or Future Build (State or Federal Data Services Hub)	Duration of Verification: Permanent or Requires Re-Verification	New Question Required for Application or Is Information Already Collected <sup>4</sup>
		sources through: state or local workforce agencies; departments of labor; TANF/SNAP workforce programs; workforce investment boards and career centers; vocational rehabilitation services; or specialized state programs		
80 hours of community service	“The individual completes not less than 80 hours of community service” <sup>10</sup>	Potential future state build: <ul style="list-style-type: none"> <li>• States could potentially build connections to data sources, if available, that track community service such as State Community Service Commissions that coordinate volunteerism, Ameri-Corps, and other service programs</li> <li>• States also partner with nonprofit organizations that promote service engagements and volunteer programs</li> </ul>	Requires reverification	New

job search program or job search training program; or (4) a program of employment and training for veterans operated by the Department of Labor or the Department of Veterans Affairs, and approved by the Secretary; and (4) a workforce partnership under subsection (d)(4)(N).

<sup>10</sup> TANF, for example, defines community service programs as: “structured programs and embedded activities in which individuals perform work for the direct benefit of the community under the auspices of public or nonprofit organizations. Community service programs must be limited to projects that serve a useful community purpose in fields such as health, social service, environmental protection, education, urban and rural redevelopment, welfare, recreation, public facilities, public safety, and childcare. Community service programs are designed to improve the employability of individuals not otherwise able to obtain unsubsidized full-time employment and must be supervised on an ongoing basis no less frequently than once each day in which the individual is scheduled to participate. A State agency shall take into account, to the extent possible, the prior training, experience, and skills of a recipient in making appropriate community service assignments.” See [45 C.F.R. 261.2](#).

Qualifying Activities	H.R.1 Statutory Definition	Available Data Source <sup>3</sup> : Current or Future Build (State or Federal Data Services Hub)	Duration of Verification: Permanent or Requires Re-Verification	New Question Required for Application or Is Information Already Collected <sup>4</sup>
At least half-time enrollment in educational program	<p>“The term ‘educational program’ includes (i) an institution of higher education (as defined in <a href="#">section 101 of the Higher Education Act of 1965</a>) and (ii) a program of career and technical education (as defined in <a href="#">section 3 of the Carl D. Perkins Career and Technical Education Act of 2006</a>)”</p>	<p>State will need to determine the hours equivalent of the participation in the educational program and combine with other qualifying activities, as needed, to determine half-time enrollment (see row below)</p> <p>Potential future state build:</p> <ul style="list-style-type: none"> <li>States may have access to state university school system, or other state/local education enrollment data</li> </ul> <p>Potential future federal build:</p> <ul style="list-style-type: none"> <li>Data may potentially be available via the <a href="#">National Student Clearinghouse</a><sup>11</sup></li> </ul>	Requires reverification	Application asks: “Are you a full-time student”; question would need to be modified for part-time
80 hours combination of work, work program or school	“The individual engages in any combination of the activities described in subparagraphs (A) through (D), for a total of not less than 80 hours”	Depending on combination, some data may be available if a state was able to combine hourly information from the data sources listed above	Requires reverification	New

<sup>11</sup> Collects enrollment data from 3,600 colleges and universities that enroll 97% of all students in public and private U.S. institutions.

**Table 2. Mandatory Exemptions**

Exemption/Exclusion	H.R.1 Definition	Available Data Source: Current or Future Build (State or Federal Data Services Hub <sup>12</sup> )	Permanent, Requires Re-Verification Every Six Months, or More Frequent Basis	New Question Required for Paper Application or Is Information Already Collected <sup>13</sup>
Entitled to Medicare Parts A or B	“Entitled to, or enrolled for, benefits under part A of title XVIII or enrolled for benefits under Part B of title XVIII”	<ul style="list-style-type: none"> <li>• <i>Application</i>: Social Security Administration</li> <li>• <i>Renewal</i>: State eligibility system</li> </ul>	Permanent	Data already collected
Eligible for another Medicaid eligibility group other than Medicaid expansion <sup>14</sup>	“described in any of subclauses (I) through (VII) of subsection (a)(10)(A)(i)”	<ul style="list-style-type: none"> <li>• <i>Application</i>: Standard verification processes</li> <li>• <i>Renewal</i>: State eligibility system</li> </ul>	Permanent until individual is no longer in eligibility group	Data already collected
Children under 19 [Medicaid eligibility group]	<p>“under the age of 19”</p> <p>“described in any of subclauses (I) through (VII) of subsection (a)(10)(A)(i)”</p>	<ul style="list-style-type: none"> <li>• <i>Application</i>: Current Medicaid policy allows for self-attestation</li> <li>• <i>Renewal</i>: State eligibility system</li> </ul>	Permanent until age 19	Data already collected
Parents and Other Caretaker Relatives [Medicaid eligibility group]	“described in any of subclauses (I) through (VII) of subsection (a)(10)(A)(i)”	<ul style="list-style-type: none"> <li>• <i>Application</i>: Current Medicaid policy allows for self-attestation of household; standard</li> </ul>	Permanent until individual is no longer in eligibility group	Data already collected

<sup>12</sup> The federal hub currently includes data from the following sources: IRS, DHS, Social Security Administration, Department of Veterans Affairs, Equifax, Peace Corps, Office of Personnel Management, Department of Defense, and Medicare.

<sup>13</sup> This column reflects questions needed for paper application; the online application could use smart logic to skip questions that are not needed. See the [Single Streamlined Model Application](#).

<sup>14</sup> H.R.1 expressly exempts individuals eligible for Medicaid through Medicaid’s mandatory eligibility pathways at section 1902(xx)((3)(A)(i)(cc) of the Social Security Act (as added by H.R.1). Functionally, however, work requirements apply to individuals who are *only* eligible for Medicaid through Medicaid expansion or through an expansion-like waiver. Individuals who are otherwise eligible for Medicaid under the state plan – whether through a mandatory eligibility pathway or optional eligibility group that a state has taken up – are not subject to Medicaid work requirements and should be exempt.

Exemption/Exclusion	H.R.1 Definition	Available Data Source: Current or Future Build (State or Federal Data Services Hub <sup>12</sup> )	Permanent, Requires Re-Verification Every Six Months, or More Frequent Basis	New Question Required for Paper Application or Is Information Already Collected <sup>13</sup>
		verification processes for other eligibility criteria <ul style="list-style-type: none"> <li>• <i>Renewal</i>: State eligibility system</li> </ul>		
Parent, guardian, caretaker relative, or family caregiver of a dependent child age 13 and under	“who is the parent, guardian, caretaker relative, or family caregiver ( <a href="#">as defined in section 2 of the RAISE Family Caregivers Act</a> ) of a dependent child age 13 years of age and under or a disabled individual” <sup>15</sup>	<ul style="list-style-type: none"> <li>• <i>Application</i>: Current Medicaid policy allows for self-attestation of household</li> <li>• <i>Renewal</i>: State eligibility system</li> </ul>	Permanent for the parent until child turns age 14	Data already collected
Parent, guardian, caretaker relative, or family caregiver of a disabled individual (children or adults, including older adults)	“who is the parent, guardian, caretaker relative, or family caregiver ( <a href="#">as defined in section 2 of the RAISE Family Caregivers Act</a> ) of a dependent child age 13 years of age and under or a disabled individual” <sup>16</sup>	Current or potential future state build at application and renewal: <ul style="list-style-type: none"> <li>• Information is available on the application from the tax filing section of the application if the individual is claimed as a dependent</li> <li>• Payroll data through Medicaid, if the caretaker was paid by Medicaid</li> </ul>	Permanent for the duration of the caregiving relationship	New
Pregnant [Medicaid eligibility group]	“described in any of subclauses (I) through (VII) of subsection (a)(10)(A)(i)”  “who is pregnant or entitled to postpartum medical assistance”	<ul style="list-style-type: none"> <li>• <i>Application</i>: Current Medicaid policy allows for self-attestation of pregnancy</li> <li>• <i>Renewal</i>: State eligibility system</li> </ul>	Duration through the end of the postpartum period	Data already collected

<sup>15</sup> The term ‘family caregiver’ means an adult family member or other individual who has a significant relationship with, and who provides a broad range of assistance to, an individual with a chronic or other health condition, disability, or functional limitation.

<sup>16</sup> *Id.*

Exemption/Exclusion	H.R.1 Definition	Available Data Source: Current or Future Build (State or Federal Data Services Hub <sup>12</sup> )	Permanent, Requires Re-Verification Every Six Months, or More Frequent Basis	New Question Required for Paper Application or Is Information Already Collected <sup>13</sup>
	under paragraph (5) or (16) of subsection (e)”			
Postpartum [Medicaid Eligibility Group]	“who is pregnant or entitled to postpartum medical assistance under paragraph (5) or (16) of subsection (e)”	<ul style="list-style-type: none"> <li>• <i>Application</i>: Current Medicaid policy allows for self-attestation of postpartum status</li> <li>• <i>Renewal</i>: State eligibility system</li> </ul>	Duration through the end of the postpartum period	Data already collected
Receiving Supplemental Security Income (SSI) [Medicaid eligibility group]	“described in any of subclauses (I) through (VII) of subsection (a)(10)(A)(i)”	<ul style="list-style-type: none"> <li>• <i>Application</i>: N/A; individual is categorically eligible</li> <li>• <i>Renewal</i>: State eligibility system</li> </ul>	Permanent	Data already collected
Foster youth [Medicaid eligibility group]	“described in any of subclauses (I) through (VII) of subsection (a)(10)(A)(i)”	<ul style="list-style-type: none"> <li>• <i>Application</i>: N/A</li> <li>• <i>Renewal</i>: State eligibility system</li> </ul>	Permanent until child is no longer a foster care youth	Data already collected
Former foster youth under age 26 [Medicaid Eligibility Group]	“who is described in subsection (a)(10)(A)(i)(IX)”	<ul style="list-style-type: none"> <li>• <i>Application</i>: Current Medicaid policy allows for self-attestation of former foster care youth</li> <li>• <i>Renewal</i>: State eligibility system</li> </ul>	Permanent until child ages out	Data already collected
Inmate	“who is an inmate of a public institution” <sup>17</sup>	Data sharing with correctional facilities as part of suspension process	Permanent until individual’s coverage is unsuspended	Data not collected via application but through data sharing with correctional facility as part of suspension process
Recently released from incarceration within the past 90 days	“at any point during the three-month period ending on the first day	States generally attach an inmate aid code/benefit indicator for suspension status	Reverification	Data not collected via application but through data sharing with

<sup>17</sup> [42 C.F.R. 435.1010.](#)

Exemption/Exclusion	H.R.1 Definition	Available Data Source: Current or Future Build (State or Federal Data Services Hub <sup>12</sup> )	Permanent, Requires Re-Verification Every Six Months, or More Frequent Basis	New Question Required for Paper Application or Is Information Already Collected <sup>13</sup>
	of such month, the individual was an inmate of a public institution”	when an individual is an inmate; 90 days can be calculated from the date of unsuspension		correctional facility as part of unsuspension process
American Indian or Alaska Native (AI/AN)	“who (aa) is an Indian or an Urban Indian (as such terms defined in <a href="#">paragraphs (13) and section (28) of section 4 of the Indian Health Care Improvement Act</a> ; (bb) is a <a href="#">California Indian described in section 809(a) of such Act</a> ; or (cc) has otherwise been determined eligible as an Indian for the Indian Health Service under regulations promulgated by the Secretary”	<ul style="list-style-type: none"> <li>• <i>Application</i>: Current Medicaid policy allows for self-attestation of AI/AN</li> <li>• <i>Renewal</i><sup>18</sup>: State eligibility system</li> </ul>	Permanent	Data already collected but may need to be revised to include all AI/AN included as exempt under statute
Veteran with disability rated as total	“who is a veteran with a disability rated as total under <a href="#">section 1155 of title 38, United States Code</a> ” <sup>19</sup>	Potential future state or federal data services hub build: <ul style="list-style-type: none"> <li>• <a href="#">Veteran Service History and Eligibility API</a></li> </ul>	Permanent	New
Medically frail– blind or disabled [Medicaid Eligibility Group]	“an individual...who is blind or disabled (as defined in section 1614)” <sup>20</sup>	<ul style="list-style-type: none"> <li>• <i>Application</i>: Standard Medicaid verification processes</li> <li>• <i>Renewal</i>: State eligibility system</li> </ul>	Permanent	Data already collected

<sup>18</sup> AI/AN populations are exempt from six month renewals.

<sup>19</sup> Veterans are ‘rated’ based on their reduction in earning capacity from specific injuries or combinations of injuries. They receive one of 10 disability “grades” (10%, 20%, etc.).

<sup>20</sup> SSI definition at [Social Security Act 1614](#).

Exemption/Exclusion	H.R.1 Definition	Available Data Source: Current or Future Build (State or Federal Data Services Hub <sup>12</sup> )	Permanent, Requires Re-Verification Every Six Months, or More Frequent Basis	New Question Required for Paper Application or Is Information Already Collected <sup>13</sup>
Medically frail— have substance-use disorder	“an individual...with a substance use disorder” <sup>21</sup>	Future state build at application and renewal: <ul style="list-style-type: none"> <li>• Enrollment in state-specific programs [e.g., behavioral health managed care plan enrollment or intellectual/developmental disorder program participation]</li> <li>• Diagnostic codes [e.g., Diagnostic Statistical Manual-5, International Classification of Diseases (ICD)-10 codes indicating substance-use disorders, disabling mental disorders, or other physical/intellectual disabilities]</li> <li>• Encounter or claims data which includes procedure codes [Current Procedural Terminology (CPT)/Healthcare Common Procedure Coding System (HCPCS)], diagnosis codes (ICD-10), patient demographics, and provider details</li> </ul>	Dependent on nature of condition	New <sup>22</sup>
Medically frail – have disabling mental disorder	“an individual...with a disabling mental disorder” <sup>23</sup>			
Medically frail – have a significant physical, intellectual, or developmental disability	“an individual . . . with a physical, intellectual or developmental disability that significant impairs their ability to perform 1 or more activities of daily living” <sup>24</sup>			
Medically frail – have a serious or complex medical condition	“an individual . . . with a serious or complex medical condition” <sup>25</sup>			
Meeting TANF work requirements	“is in compliance with any requirements imposed by the State pursuant to section 407”	<ul style="list-style-type: none"> <li>• States with integrated eligibility systems have this data</li> </ul>	Reverification	New

<sup>21</sup> Language modifies medical frailty language at [42 CFR 440.315](#), which exempts individuals with “chronic substance use disorders.”

<sup>22</sup> While states already ask the question, “does the person have a physical, mental, or emotional health condition that causes limitations in activities (like bathing, dressing, daily chores, etc.) or live in a medical facility or nursing home” this question is not sufficient to meet all the medical frailty categories that are included in H.R.1.

<sup>23</sup> Language aligns with medical frailty language at [42 CFR 440.315](#).

<sup>24</sup> Language aligns with medical frailty language at [42 CFR 440.315](#).

<sup>25</sup> Id.

Exemption/Exclusion	H.R.1 Definition	Available Data Source: Current or Future Build (State or Federal Data Services Hub <sup>12</sup> )	Permanent, Requires Re-Verification Every Six Months, or More Frequent Basis	New Question Required for Paper Application or Is Information Already Collected <sup>13</sup>
		<ul style="list-style-type: none"> <li>Current or potential new data sharing processes at application and renewal: State Agency Data</li> </ul>		
Member of a household receiving SNAP and is not exempt from SNAP work requirements	“Is a member of a household that receives supplemental nutrition assistance program benefits under the <a href="#">Food and Nutrition Act of 2008</a> and is not exempt from a work requirement under such Act” <sup>26</sup>	<ul style="list-style-type: none"> <li>States with integrated eligibility systems have this data</li> <li>Current or potential future new data sharing processes at application and renewal: State Agency Data</li> </ul>	Reverification	New
Participating in a drug addiction treatment program	“who is participating in a drug addiction or alcoholic treatment and rehabilitation program (as defined in <a href="#">section 3(h) of the Food and Nutrition Act of 2008</a> )”	Future state build at application and renewal: <ul style="list-style-type: none"> <li>At application or renewal: Encounter or claims data which includes procedure codes (CPT/HCPCS), diagnosis codes (ICD-10), patient demographics, and provider details)</li> </ul>	Duration of treatment	New
Participating in alcoholic treatment and rehabilitation program	“who is participating in a drug addiction or alcoholic treatment and rehabilitation program (as defined in <a href="#">section 3(h) of the Food and Nutrition Act of 2008</a> )” <sup>27</sup>			

<sup>26</sup> Individuals exempt from Medicaid work requirements include individuals (1) whose household receives SNAP, and (2) who are subject to SNAP work requirements. Notably, the statute does not appear to require that these individuals *complied with* SNAP work requirements. Thus, based on the statute, exempt individuals include, for example, those who are subject to SNAP work requirements and comply with them; individuals who are subject to SNAP work requirements, do not comply with SNAP work requirements, but are in a household that receives SNAP; and individuals who are subject to SNAP work requirements, do not comply with SNAP work requirements, but have not reached their three month time limit.

<sup>27</sup> The [Food and Nutrition Act of 2008](#) defines a “drug addiction or alcoholic treatment and rehabilitation program” as any such program conducted by a private nonprofit organization or institution, or a publicly operated community mental health center “to provide treatment that can lead to the rehabilitation of drug addicts or alcoholics.” Drug and/or alcohol treatment centers

**Table 3. Optional Short-Term Hardship Exemptions**

Exception	H.R.1 Definition	Available Data Source: Current or Future Build (State or Federal Data Services Hub <sup>28</sup> )	Permanent, Requires Re-Verification Every Six Months, or More Frequent Basis	New Question Required for Paper Application or Is Information Already Collected <sup>29</sup>
Living in a county impacted by a federally declared emergency or disaster	“such individual resides in a county (or equivalent unit of local government) (aa) in which there exists an emergency or disaster declared by the President pursuant to the <a href="#">National Emergencies Act</a> or the <a href="#">Robert T. Stafford Disaster Relief and Emergency Assistance Act</a> ”	Application of rules in eligibility system based on residency	Time period dependent on length of declared emergency	Residence information already collected
Living in a county with high unemployment rate	“such individual resides in a county (or equivalent unit of local government) . . . that, subject to a request from the State to the Secretary, made in such form, at such time, and containing such information as the Secretary may require, has an unemployment rate that is at or above the lesser of (AA) 8 percent; or	Application of rules in eligibility system based on residency leveraging <a href="#">Bureau of Labor Statistics – Local Area Unemployment Statistics</a>	Time period dependent on determination of high-employment rate via residency	Residence information already collected

and rehabilitation programs need not be licensed by states but must meet criteria which would make them eligible for funding under community mental health service block grants. To be eligible for funding, community mental health centers must provide certain services and must offer care regardless of ability to pay and in prompt and appropriate manner that preserves human dignity. See [42 U.S.C. § 300x-2\(c\)](#).

<sup>28</sup> Federal hub currently includes data from the following sources: Internal Revenue Service, Department of Homeland Security, Social Security Administration, Department of Veterans Affairs, Equifax, Peace Corps, Office of Personnel Management, Department of Defense, Medicare.

<sup>29</sup> This column reflects questions needed for paper application; online application could use smart logic to skip questions not needed. See [Single Streamlined Model Application](#).

Exception	H.R.1 Definition	Available Data Source: Current or Future Build (State or Federal Data Services Hub <sup>28</sup> )	Permanent, Requires Re-Verification Every Six Months, or More Frequent Basis	New Question Required for Paper Application or Is Information Already Collected <sup>29</sup>
	(BB) 1.5 times the national unemployment rate”			
Receiving inpatient hospital care, nursing facility services in an intermediate care facility for individuals with intellectual disabilities, inpatient psychiatric hospital services, or such other services of similar acuity	“such individual receives inpatient hospital services, nursing facility services, services in an intermediate care facility for individuals with intellectual disabilities, inpatient psychiatric hospital services, or such other services of similar acuity (including outpatient care relating to other services specified in this subclause) as the Secretary determines appropriate”	Must be requested by the individual Providers/entities serving as authorized representatives and/or qualified entities for presumptive eligibility should also be able to assist	Pending CMS Guidance	New
Traveling for an extended period to access medically necessary care for a serious or complex medical condition that is not available in the individual’s community for either themselves or their dependent(s)	“such individual or their dependent must travel outside of their community for an extended period of time to receive medical services necessary to treat a serious or complex medical condition (as described in paragraph (9)(A)(ii)(V)(ee)) that are not available within their community of residence” <sup>30</sup>			New

<sup>30</sup> Section 1902(xx)(9)(A)(ii)(V)(ee) of the Social Security Act, as added by H.R.1, exempts individuals who are medically frail or otherwise have special medical needs, including individuals “with a serious or complex medical condition.”



Support for this toolkit was provided by the Robert Wood Johnson Foundation. The views expressed here do not necessarily reflect the views of the Foundation.

---

#### ABOUT THE ROBERT WOOD JOHNSON FOUNDATION

The Robert Wood Johnson Foundation (RWJF) is a leading national philanthropy dedicated to taking bold leaps to transform health in our lifetime. Through funding, convening, advocacy, and evidence-building, we work side-by-side with communities, practitioners, and institutions to get to health equity faster and pave the way together to a future where health is no longer a privilege, but a right.

RWJF believes that achieving strong, lasting connections across the healthcare, public health, and social services systems helps build healthier and more equitable communities that provide everyone a fair and just opportunity for health and wellbeing.

---

#### ABOUT STATE HEALTH AND VALUE STRATEGIES—PRINCETON UNIVERSITY SCHOOL OF PUBLIC AND INTERNATIONAL AFFAIRS

State Health and Value Strategies (SHVS) assists states in their efforts to transform health and healthcare by providing targeted technical assistance to state officials and agencies. The program is a grantee of the Robert Wood Johnson Foundation, led by staff at Princeton University's School of Public and International Affairs. The program connects states with experts and peers to undertake healthcare transformation initiatives. By engaging state officials, the program provides lessons learned, highlights successful strategies, and brings together states with experts in the field. Learn more at [www.shvs.org](http://www.shvs.org).

---

#### ABOUT MANATT HEALTH

This toolkit was prepared by Kinda Serafi, Lisa Sbrana and Liz Dervan. Manatt Health, a division of Manatt, Phelps & Phillips, LLP, is an integrated legal and consulting practice with over 160 professionals in nine locations across the country. Manatt Health supports states, providers, and insurers with understanding and navigating the complex and rapidly evolving healthcare policy and regulatory landscape. Manatt Health brings deep subject matter expertise to its clients, helping them expand coverage, increase access, and create new ways of organizing, paying for, and delivering care. For more information, visit <https://www.manatt.com/health>.