



Q&A: What Congress' Latest Healthcare Cuts Mean for Pennsylvania

October 2025

Medicaid Work Requirements

1. What is the “medically frail” exemption form the work requirement?

The work requirement will only apply to certain adults aged 19-64 who are in the MA expansion category. One exemption to the work requirement is for someone who is “medically frail or otherwise has special medical needs.” The U.S. Department of Health and Human Services will be further defining what that means. What we know now is that HR1 describes the exemption as applying to a person who:

- Is on Social Security Disability or who has a disability that meets the Social Security definition of disability,
- Has a substance use disorder,
- Has a “disabling mental disorder,”
- Has a physical, intellectual or developmental disability that significantly limits the ability to do 1 or more activities of daily living, or
- Has a serious or complex medical condition.

2. Do we have clarity on getting an exemption to the work mandate? I have an adult child with an intellectual disability.

The work requirement will apply to certain adults aged 19-64 who are in the MA expansion category only. There will be no work requirements for people in a disability-related category of MA. If a person with a disability is in the MA expansion category, they may be able to get an exemption from the work requirement if they are determined to be “medically frail” or having “special medical needs.”

3. Will any of this affect a person with a disability who can’t work?

The work requirement will apply to certain adults aged 19-64 who are in the MA expansion category only. There will be no work requirements for people in a disability-related category of MA. If a person with a disability is in the MA expansion category they may be

able to get an exemption from the work requirement if they are determined to be "medically frail" or having "special medical needs."

4. Do work requirement apply to people who are on disability but are not yet eligible for Medicare because they have not been disabled for 2 years?

People on Social Security Disability might be in the MA category that will be subject to work requirements. However, as a recipient of Social Security Disability they will be exempt from the work requirement.

5. Will an individual that is on SSI and has an intellectual disabilities waiver have to prove disability again and show exemption from work requirements?

People on SSI will NOT be subject to the work requirement and will not have to show an exemption. People on an MA waiver also will NOT be subject to the work requirement and will not have to show an exemption.

6. Do we know if people qualified for MA through the Breast and Cervical Cancer Prevention and Treatment (BCCPT) program will be exempt from work requirements?

People in BCCPT will NOT be subject to work requirements and will not have to show an exemption.

7. Is there an exemption from work requirements for children? Did they change it so parents with a child 14-18 no longer qualify for Medicaid?

Children under 19 and parents with a child under 14 are exempt from (not subject to) the work requirements.

Parents of children 14-18 will still be potentially eligible for MA, but if the parent's children are all age 14 or over then that parent will be subject to work requirements if they are in the Medicaid expansion category and do not meet any other work requirement exemption.

8. Regarding the options to mitigate the impact of work requirements: Those options are up to the state's discretion and not currently agreed upon, right? So the state will need to approve them between now and the rollout of work requirements?

The information in the presentation about work requirements and their exemptions is what we know from the law itself. How Pennsylvania will implement what the law requires and

allows is still unknown. We will be tracking this closely and provide updates as we learn more.

9. How will work requirements be approved? Will there be a list of eligible organizations or service opportunities?

Pennsylvania has not developed processes for this yet. We will be tracking this closely as this work continues over the next year and will provide updates as we learn more.

10. How does a service provider determine whether clients are in an MA expansion or other MA category? Can a CAO caseworker tell you if someone is on MA expansion or not?

Medicaid enrolled providers should be able to see the eligibility codes in the PROMISe system. The CAO should also be able to tell you what your MA category is. Most, perhaps all, people subject to work requirements will be in a category that is coded as MG91.

When the work requirements go into effect, Pennsylvania DHS will be required to provide notice to those in the expansion category who are subject to work requirements.

Semi-Annual Renewals for Medicaid Expansion

11. The semi-annual renewals will not apply to those in Medicaid Waiver programs, correct?

That is correct.

Retroactive Coverage Changes

12. For the MA lookback period for nursing home coverage, how far will MA look back now? I heard the 3 months prior will cease, but is there any lookback?

There will be a change to how far back retroactive eligibility will go. Right now, a person in a nursing home can get retroactive coverage of up to three months prior to the month in which they apply for Medicaid. This will be shortened to two months. The five-year resource lookback for nursing facility coverage is not changing.

Cuts to Medicaid Funding / Limits on How States Finance Medicaid

13. What potential changes are going to be made to specific Medicaid categories like Medical Assistance for Workers with Disabilities (MAWD)? Do we anticipate cuts affecting the Special Needs Loophole for Children in PA?

Beyond the eligibility changes required by HR1 (e.g., changes to immigrant eligibility, work requirements), there have been no proposed changes to Medicaid eligibility. We will be closely tracking Pennsylvania's implementation of HR1 funding cuts and will provide alerts and updates as we learn more.

14. Will SNAP, Zepbound and other medications be cut off?

We do not know what changes Pennsylvania will pursue in response to the cuts to Medicaid funding. We will be closely tracking Pennsylvania's implementation of HR1 funding cuts and will provide alerts and updates as we learn more.

With respect to Zepbound, DHS has drafted but not yet implemented guidelines that create stricter prior authorization requirements for drugs used for weight loss. This change was in the works prior to HR1.

SNAP changes are happening now! Check out CLS' website for more info on what those changes are and how you can take action to protect SNAP benefits:

<https://clsphila.org/highlights/help-pa-families-keep-snap/>

Marketplace (ACA) Pennie Coverage

15. Is Gender Affirming Care defined in the Marketplace rule?

The new federal rule prohibits gender affirming care from being offered as an essential health benefit through Marketplace health plans. This resource has a good overview of how gender affirming care is defined in the rule: <https://www.kff.org/private-insurance/new-rule-proposes-changes-to-aca-coverage-of-gender-affirming-care-potentially-increasing-costs-for-consumers/>

You can find the exact definition here <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-B/part-156/subpart-E> under the definition of "Specified sex-trait modification procedure."

16. If someone loses Medicaid or employer insurance (either through themselves or a spouse) and is not yet eligible for Medicare will they be able to apply for Pennie outside of Open Enrollment?

Yes! People who lose qualifying health coverage through Medicaid or an employer outside of the Open Enrollment Period will have a Special Enrollment Period to apply for Pennie.

17. If a person comes to the Mental Health office with a diagnosis of serious mental illness, can they enroll in Pennie outside of the enrollment period?

Unfortunately, there are no Special Enrollment Periods through Pennie based on a medical diagnosis. However, they might qualify for a different Special Enrollment Period. Feel free to call PHAN's helpline for more information: 877-570-3642

18. Can you provide more examples about premium increases to help with advocacy?

[This tool from KFF](#) allows you to see examples (based on income, age, household size and location) of how much plans would cost *with* enhanced premium tax credits versus *without* them, should Congress decide to end the tax credits.

19. What is the name/cite of the lawsuit?

More information about the lawsuit that pauses some of the proposed rule changes to the Affordable Care Act [can be found here](#).

Immigrant access to health coverage

20. I have a 65+ year-old resident that has an expired green card for the last 11 years. Will he lose his Medicaid coverage?

While green cards expire after 10 years, at which time they can be renewed for another 10 years, lawful permanent residency does not expire along with the green card. As long as this person has not lost his lawful permanent residency, he will continue to meet the MA immigration status eligibility criteria even after HR1's rules go into effect.

21. Will emergency MA be affected?

HR1 did not change eligibility for emergency MA, but it did reduce how much federal funding the state can receive for EMA if a person is in a Medicaid expansion category.

Misc. Questions

22. There is a child who recently turned 18 years old, still lives with parents, is a full-time student and is on CHIP. Is there a possibility of this child losing her coverage?

When the child turns 19, they will no longer be eligible for CHIP. Depending on income and resources, they may be eligible for Medicaid or Pennie. If they are in expansion Medicaid when the work requirements begin they will be subject to the work requirements but would be exempt if they are still a full-time student or qualify for another exemption.

23. Will the Medical Assistance for Workers with Disability (MAWD) population get bigger?

That is a possibility if people have a disability that meets the MAWD requirements.

24. Will people with disabilities be required to take health insurance from their employer if they currently have Medicaid / Medicare coverage?

HR1 does not make changes to whether someone must have employer insurance.

Currently, there are some instances where Medicare requires people to take their employer coverage. There are also instances where Medicaid will pay the premium for employer insurance (the HIPPP program) in which case the person must accept the employer insurance.

25. The CAO and case workers cannot keep up with the demand as it is, both due to the requirements and lack of case workers/overburdened system. Are there talks of a possible plan/solution to help ease the burden and provide more support to ensure people are not losing their benefits due to lack of support?

Absolutely. This is going to be a very difficult year at the CAO. Advocates have been and will continue to push Pennsylvania to implement policies to reduce the amount of paperwork people will need to submit to the CAO and to increase CAO staff and resources so that people can have their benefits cases processed on time and accurately.

26. Will there be any changes to the PA MA categories in particular PJ 81 or 85?

“PJ 81” and “PJ 85” are codes for special Medicaid categories based on someone’s past receipt of SSI. HR1 does not make changes to these categories.

27. I thought I heard some comments made regarding the impact of HR1 on commercial insurance payments. What were these?

Providers, like hospitals, may seek higher reimbursement rates from employer-sponsored insurance to make up for less revenue from Medicaid and more uncompensated care. The cost of increased reimbursement rates would push up employer-sponsored premiums.

28. Is there a specific email to send stories about the importance of MA?

Feel free to email Joanna at joanna@pahealthaccess.org. You can also use this link to record and share Medicaid stories:

https://pahealth.soapboxx.com/question/save_medicaid_video

29. What would the CAO show as a category for an SSI, Waiver, and SNAP person due to disability and where would you see that?

There are several MA categories that someone on SSI might be enrolled in and several categories for people enrolled in waiver programs. PA DHS lists all their category codes here:

http://services.dpw.state.pa.us/oimpolicymanuals/ma/index.htm#t=305_Category%2F305_Appendix_C.htm

30. If there is major public pushback on these changes as people become aware of the impact on themselves/their families, is there any mechanism for the changes to be pushed back or rolled back completely?

The only way to completely roll back these changes is for Congress to pass a new bill that is signed into law.