WELCOME!

Medicaid & the Big Beautiful Bill: Implications for Street Medicine in the United States

NATIONAL HEALTH CARE for the HOMELESS COUNCIL

Policy Update: Changes Impacting Street Medicine

October 6, 2025

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Insurance & Revenue at HCH Programs

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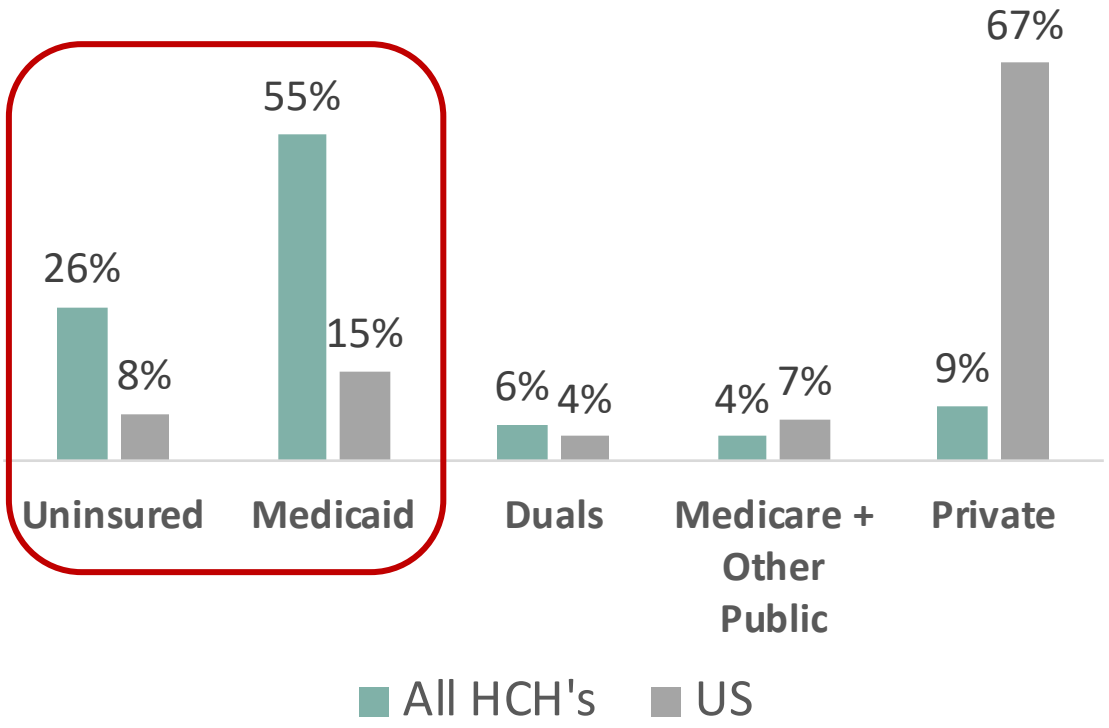
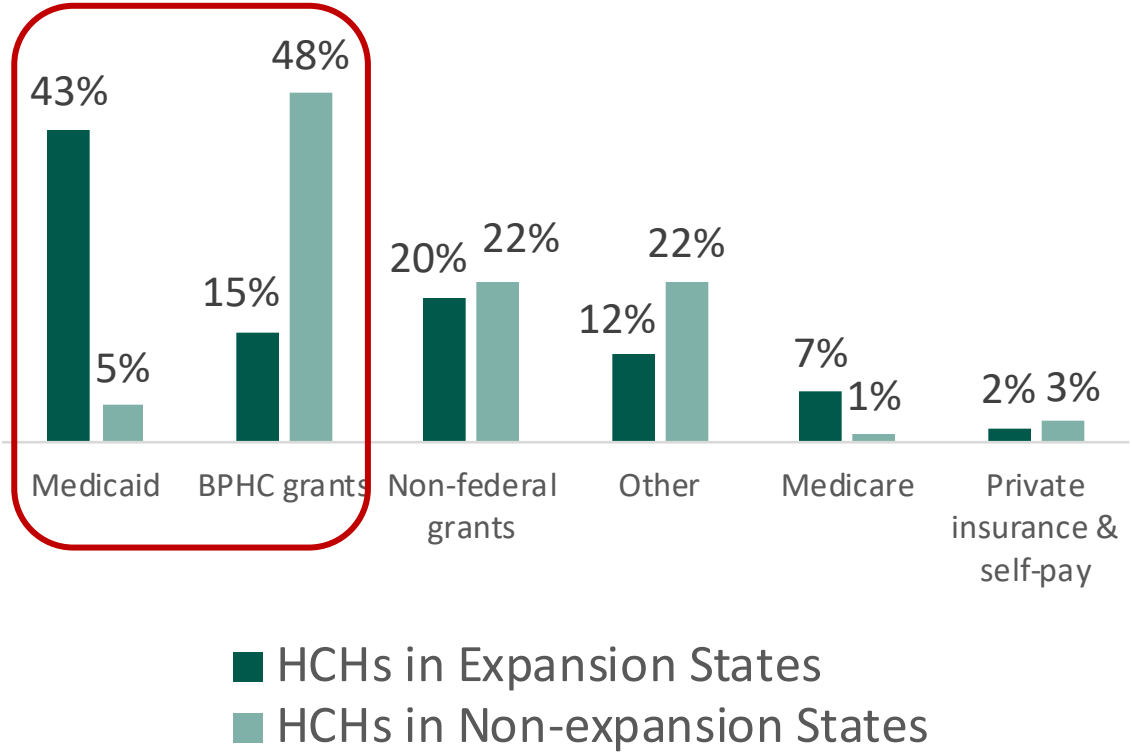
HCH Patient Insurance Sources, 2024



Funding for HCH Programs, 2024



Fact Sheet: Health Insurance at HCH Programs, 2024

Changes Most Impactful to Unhoused People

- Establishes work reporting requirements
- Adds address verification
- Increases frequency of eligibility checks
- Slashes retroactive coverage
- Adds out of pocket cost sharing
- Ends most immigrant coverage

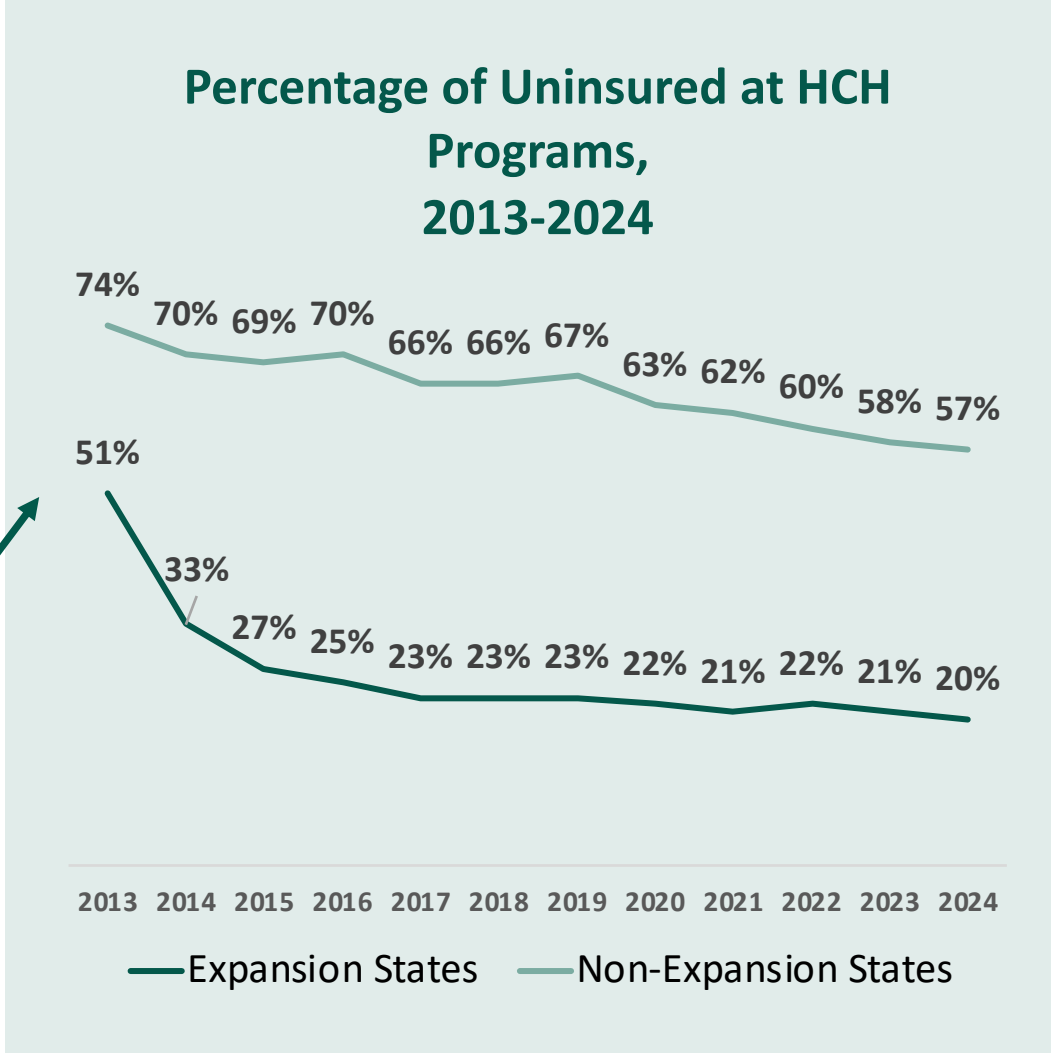
Indirect provisions to states will also impact:

- State-directed payments
- State provider taxes
- Emergency Medicaid
- Penalties for error rates

Fact Sheet: One Big Beautiful Bill Act: Harmful Impacts to the HCH Community

A Deeper Dive on Address Verification

- States must "regularly obtain" Medicaid enrollees' addresses
- Applies to ALL states
- Goes into effect **January 1, 2027**
- Must obtain information from "reliable data sources"
- **Impact:** State systems will struggle to maintain accurate, current information for unhoused people, resulting in disenrollment due to outdated information or unfamiliar addresses.



Fact Sheet: Health Insurance & Revenue at HCH Programs, 2024

A Deeper Dive on Eligibility Checks

- Medicaid expansion beneficiaries must re-verify eligibility every 6 months
- Applies to Medicaid expansion states
- Goes into effect **January 1, 2027**
- States can re-verify more frequently, but must every 6 months (vs. the current 12)
- **Impact:** More bureaucratic hoops that are difficult for unhoused people to meet (eligible people will lose coverage) and increased costs to states and burdens on providers.

Financial Impact on States

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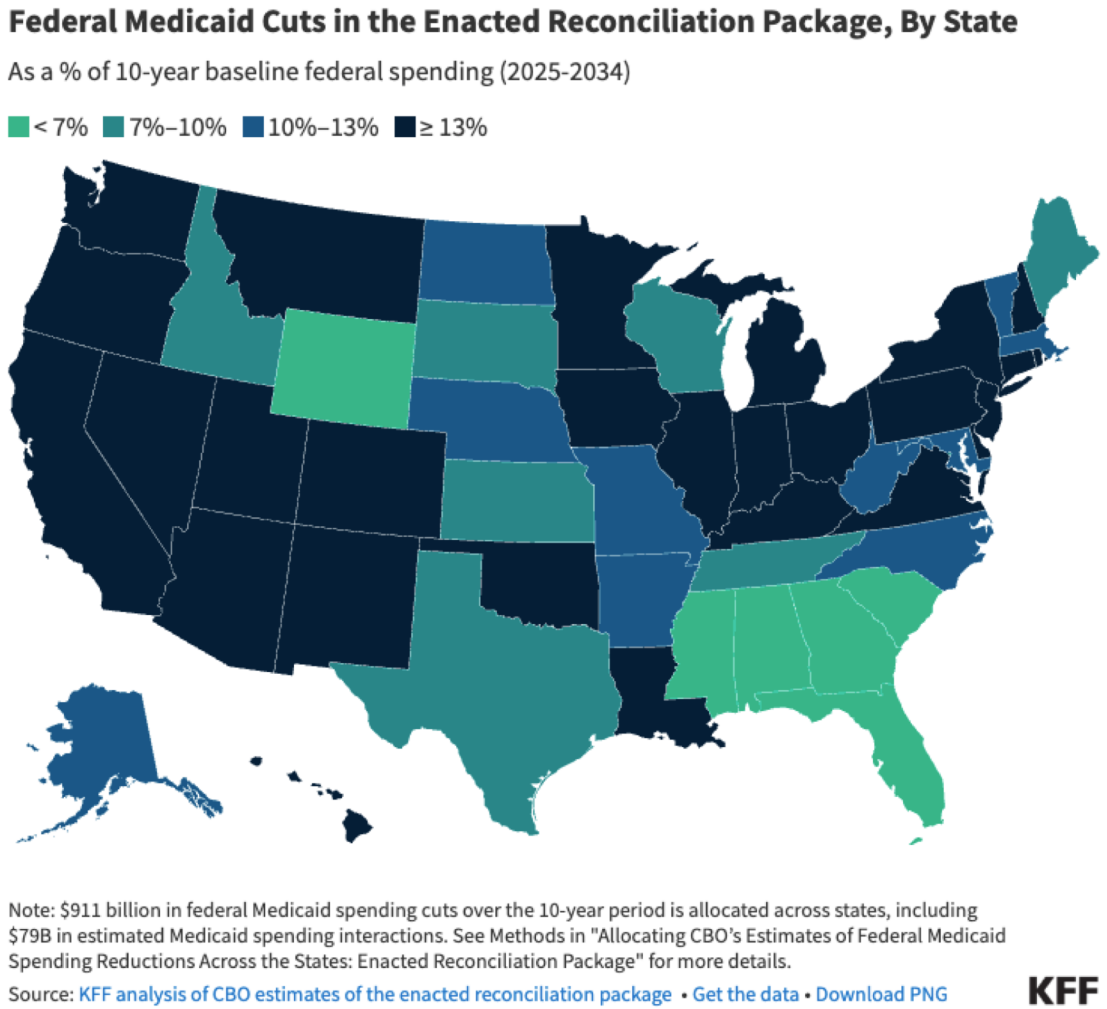
Biggest financial impact on states:

- **Expansion states:** Work requirements, changes to provider taxes, more frequent eligibility redeterminations
- **All states:** Changes to state directed payments

State	Federal Funding Losses	State Losses	Anticipated Job Losses
Texas	$3.1 billion (8%)	$4.8 billion	44,100
Florida	$1.9 billion (8%)	$2.9 billion	28,600
Georgia	$857 million (7%)	$1.4 billion	12,900
California	$16.6 billion (15%)	$22.3 billion	153,400
Arizona	$3.9 billion (21%)	$4.9 billion	41,500
Ohio	$3.5 billion (12%)	$4.3 billion	37,900

Source: Commonwealth Fund – Estimates of 2029 Medicaid Losses in Federal Funding



Added Services: Supportive Housing (Medicaid 1115 waivers)

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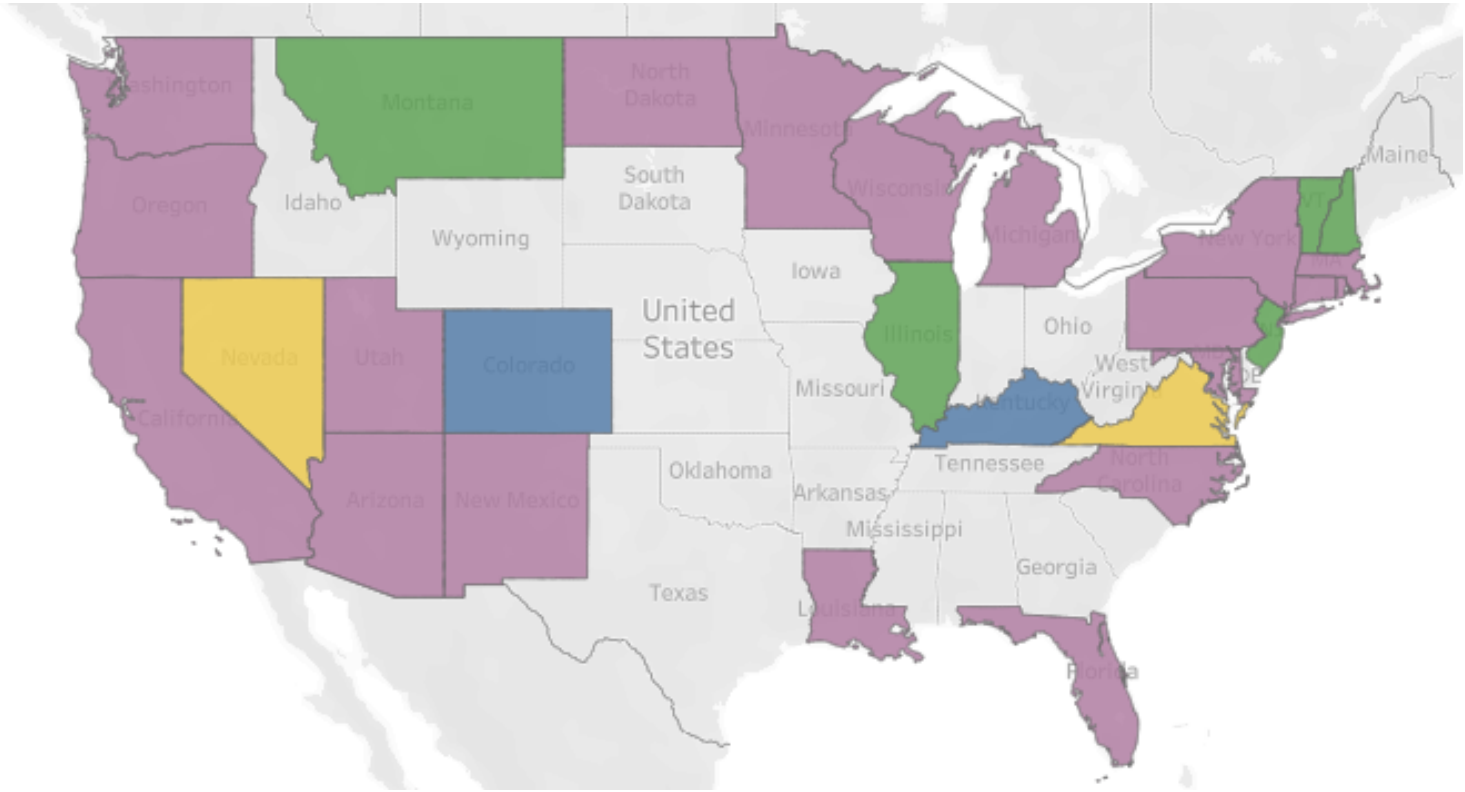
In purple: States operating under a CMS-approved waiver for supportive housing services



Source: CSH: Medicaid Waivers Map

Housing-Related Services That States Can Choose to Cover With Medicaid

Pre-Tenancy Supports

- Identify and address barriers to successful tenancy
- Locate adequate housing
- Assist with housing applications
- Arrange details of the move
- Pay one-time fees:
  - security deposit
  - moving expenses
  - utility set-up fees
  - safety modification

Tenancy-Sustaining Supports

- Identify risks for eviction
- Educate on tenant's rights and responsibilities
- Link to community resources
- Resolve disputes with landlords and neighbors

Source: Centers for Medicare & Medicaid Services State Health Official Letter #21-001

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CMS no longer approving waivers for health-related social needs and would renew existing waivers on a "case by case basis"

Added Services: Medical Respite Care (Medicaid 1115 waivers)

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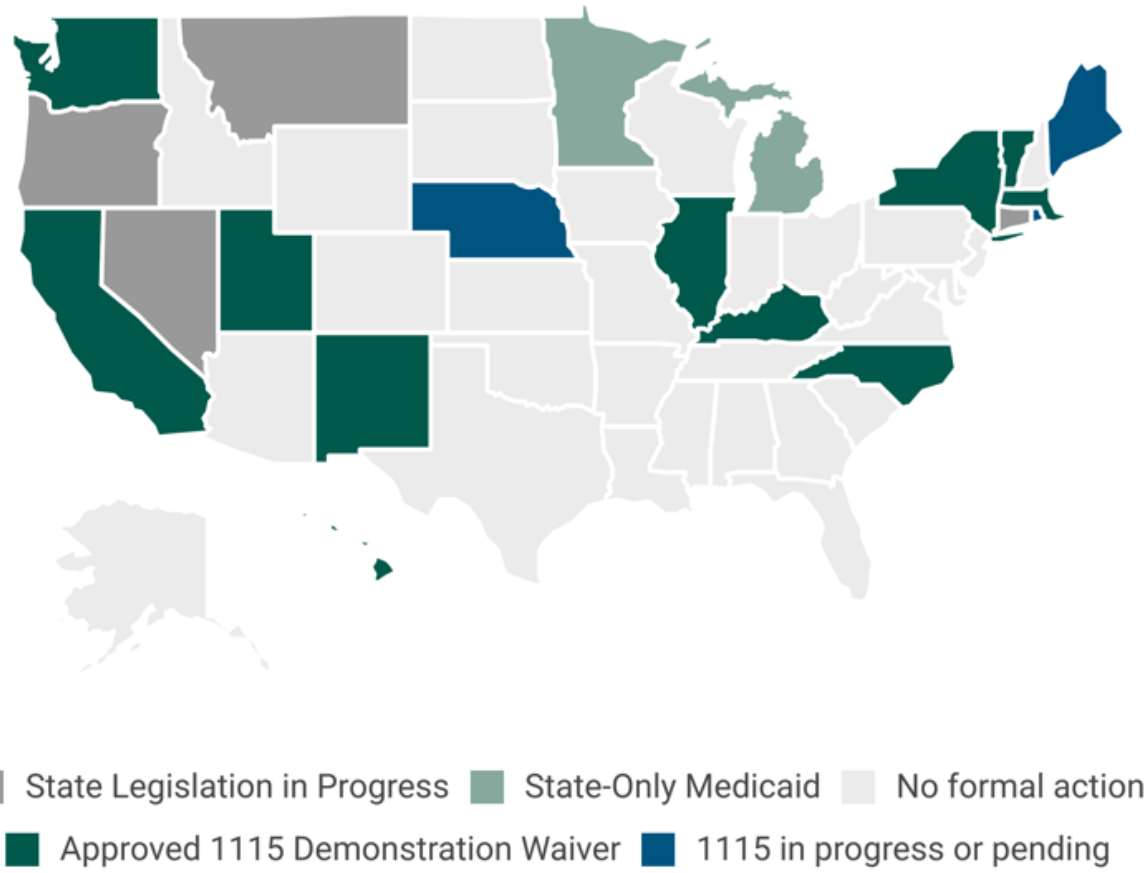
- Provides ongoing care & residential stability after hospitalization for those needing rest/recuperation
- ~150 programs across 40 states
- Located in shelters, stand-alone facilities, transitional housing, etc.
- **18 states** have/pursuing 1115 waiver for statewide service

Great resource: Expanding Options for Health Care Within Homelessness Services: CoC Partnerships with Medical Respite Care Programs

Status of Statewide Medicaid Benefits for Medical Respite Care



More details at Status of Statewide Medicaid Benefits for Medical Respite Care

Timeline

State-directed payments	July 4, 2025* Grandfathered payments start reductions Jan 1, 2028
End of immigrant coverage	Oct 1, 2026
State provider taxes	Oct 1, 2026
Emergency Medicaid	Oct 1, 2026
Work requirements	Jan 1, 2027* Waivers avail until Dec. 31, 2028
Address verification Frequent redeterminations Retroactive coverage	Jan 1, 2027
Out of pocket co-pays	Oct 1, 2028
Error rate penalties	Oct 1, 2029

State Legislative Sessions

- Most meet in January 2026 to determine FY2027 budget
- OBBBA cuts start during FY2027
- States are calculating coverage and revenue losses **now**
- Decisions happening **now** on what to cut
- **Most at risk:** Non-citizen coverage, optional services, 1115 waivers, cutting the expansion population

OBBBA Advocacy Actions: All States

➢ Include Service Provider Addresses:

- *Goal: To ensure states do not dis-enroll individuals because of dated or unfamiliar address information*
- Request to add homelessness service provider addresses
- Send provider address list to states

➢ Protect Medicaid 1115 Waivers:

- *Goal: To protect added services vital to people experiencing homelessness*
- Advocate for states to keep waivers for **medical respite care** and supportive housing
- Emphasize cost savings, reduced hospital burdens and improved outcomes

Fact Sheet: State-Level Advocacy Actions for the HCH Community

Advocacy Actions: Medicaid Expansion States

Flexible Work Requirement Options: Soften the Impact

- Request a "good faith" waiver to delay implementation
- Verify compliance at the state level
- Phase-in implementation
- Conduct less frequent verification – 6 months instead of monthly
- Provide multiple communication methods

Maximize Exemptions: Reduce Coverage Loss

- Include **medical respite care** as a "short-term hardship event"
- Include SUD and MH services at health centers within definitions for "drug addiction or alcohol treatment" or "medically frail" categories
- Verify exemptions at the state-level using available data
- Allow affidavits from case managers/providers

Exemption for Homelessness: Add Vulnerable Group

- Urge state to request homelessness as an exempted population

Fact Sheet: State-Level Advocacy Actions for the HCH Community

“Ending Crime and Disorder”: Added Threats

- July 24 Executive Order: Ending Crime and Disorder on America’s Streets calls on states to:
  - Criminalize homelessness
  - Sweep encampments
  - Prosecute public drug use
  - Expand civil commitments and forced treatment
  - End support for harm reduction and housing first
- Increased sweeps causing increased arrets, fear and trauma
- Insufficient capacity of inpatient treatment (quality of care can vary widely)

Fact Sheet: Impact of Civil Commitment Executive Order on the HCH Community

Sweeps & Bans: Additional Threats

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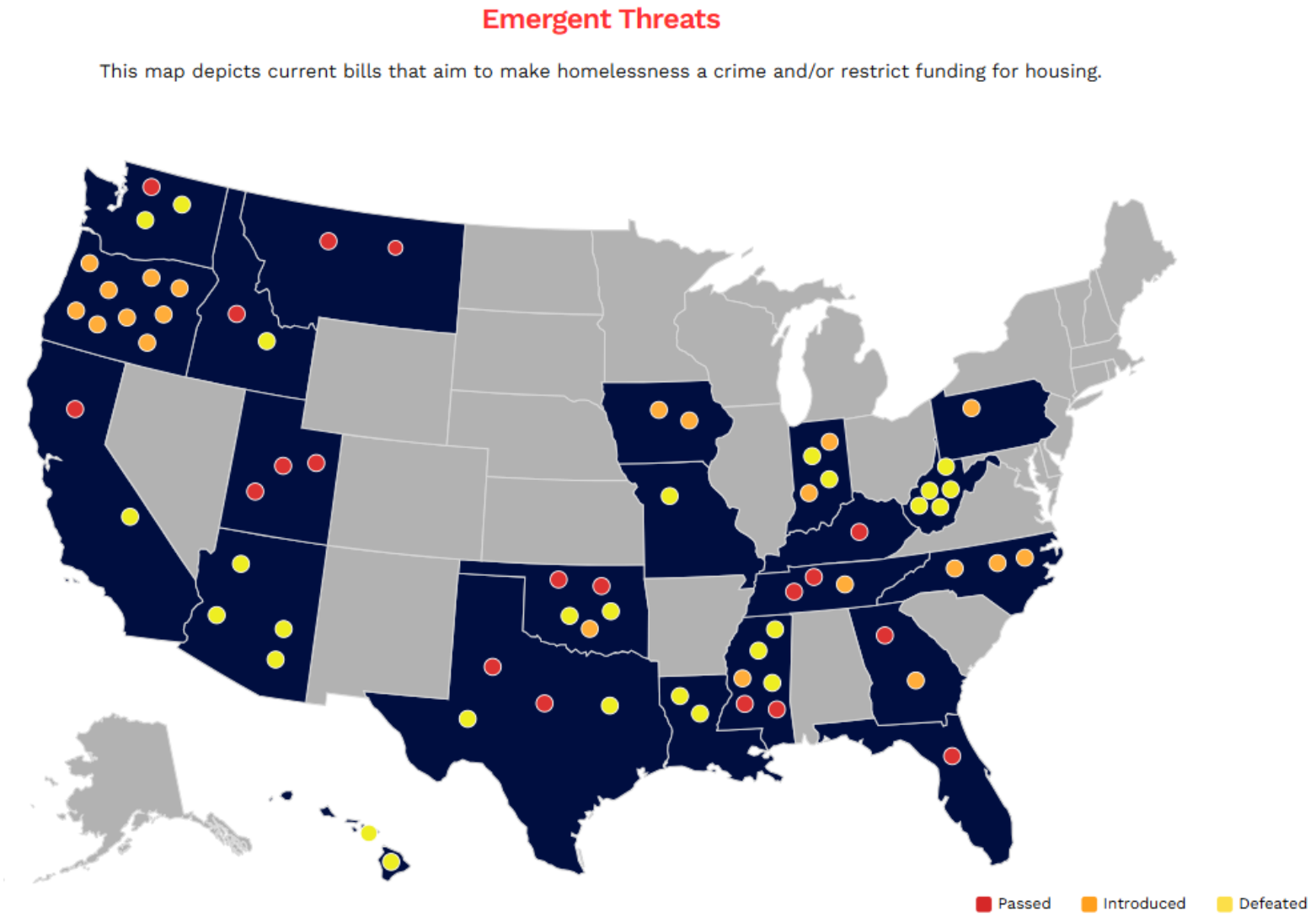
- More states and localities banning presence of people who are homeless
- Sweeps have four main impacts:

1. Damage health, well-being, and connections to care
2. Compromise personal safety and civic trust
3. Undermine paths to housing and financial stability
4. Create unnecessary costs for local communities

More info in our issue brief: Impact of Encampment Sweeps on People Experiencing Homelessness



What Does All This Mean?

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- Fiscal austerity as states balance budgets amid shortfalls
- More Medicaid administrative complexities, fewer people covered, and less reimbursement-related revenue
- Likely: Pull-back on 1115 waivers for supportive housing/medical respite care
- Less federal and state grant funding, more pressures on private/philanthropy
- Greater acuity/more complex patient needs
- Fewer housing opportunities, more high-barrier requirements, greater unsheltered homelessness
- Increased sweeps, arrests, forced hospitalizations/involuntary services, and hunger

Additional Advocacy Responses

- **Maximize coalitions:** Work with your existing networks to advocate together to reduce harm. Join State Medicaid Advisory Committee meetings.
- **Advocate with state policymakers:** Discuss the impacts of these policies with state legislators, Governor's Office, Interagency Council on Homelessness, Medicaid, and Health leads
- **Spread the word:** Use NHCHC's fact sheets and your expertise to raise awareness of these policy changes in your community.
- **Prepare to testify:** Speak up, bring client voices, call out harm

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Medicaid and the Big Beautiful Bill: Implications for Street Medicine in the U.S.

Street Medicine Institute
October 7, 2025

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Medicaid Provisions in HR 1

- $990 billion cut in federal Medicaid payments to states over 10 years (largest ever enacted)
- One third ($325.6 billion) from mandatory work reporting requirements in 40 expansion states, GA, WI, and DC
- Nearly 40 percent ($375.0 billion) from limits on financing tools (provider taxes, state-directed payments) for all states
- Will increase uninsured by 7.5 million (combined impact of HR 1 Medicaid and Marketplace provisions is 10 million uninsured).

Medicaid "Red Tape" Provisions and Street Medicine

- Process to obtain address information (applies 1/1/2027 to all states, all applicants and enrollees)
- 6-month redetermination of eligibility (applies 1/1/2027 to Medicaid expansion adults in 40 states, GA, WI and DC)
  -- CMS guidance due by January 4, 2026
- Work Reporting Requirements (applies 1/1/2027 to Medicaid expansion adults at application and renewal in 40 states plus GA, WI, and DC)
  -- Secretary of HHS can delay implementation in a state until 12/31/28 if making "good faith" effort to comply
  -- CMS implementing regulation due June 1, 2026.

State Administrative Burden

- "Red Tape" provisions (and others) will require changes/redsign to state (or in some states county) enrollment and eligibility (E&E) systems
- Additional complexity in states with integrated E&E systems (e.g., Medicaid with SNAP, TANF, and/or Marketplace)
  - -- KFF state-by-state integration table is here
- State capacity and performance varies
  - -- CCF state-by-state tracker is here
- HR 1 provides $200 million in FY 26 to help states implement work reporting requirements
  - -- CMS has separate funding to administer these provisions

Medicaid Expansion Adults

- Primary target of HR 1 cuts ("able-bodied adults")
- Have incomes up to 138 percent of poverty ($21,597 for an individual in 2025)
- Are not eligible for Medicaid under a traditional mandatory category (e.g., parent with dependent child, SSI recipient)
- Are not eligible for or enrolled in Medicare
- Are not pregnant
- As of December 2024, 20.1 million expansion adults (KFF table here)
- 1/3 have chronic physical health condition; 1/4 have diagnosed chronic behavioral health condition (KFF "Five Key Facts" here)
- 44% percent working full-time, 20% working part-time (KFF analysis here)

Work Reporting Requirements ("Community Engagement")

- Condition of Medicaid eligibility for expansion adults ages 19 through 64
- Applies to applicants as well as beneficiaries
- Effective January 1, 2027, states must require those not exempt to demonstrate at least:
  -- 80 hours of work per month OR
  -- 80 hours of community service per month OR
  -- 80 hours of work program per month OR
  -- Enrollment in an educational program half time OR
  -- Any combination of the above for 80 hours per month OR
  -- $580 earned income per month (seasonal workers $580 average over 6 months)

Mandatory Exemptions

- Sixteen mandatory exemption categories including:
  -- a parent, guardian, caretaker relative or family caregiver of (1) a dependent child age 13 or under or (2) a disabled individual
  -- a woman who is pregnant or receiving 12 months post-partum coverage
  -- a veteran with a disability rated as total
  -- an American Indian or Alaska Native, including an Urban Indian
  -- an individual who is blind or disabled as defined by SSI
  -- an individual with a substance use disorder
  -- an individual with a disabling mental disorder
  -- an individual with a physical, intellectual or developmental disability that significantly impairs their ability to perform 1 or more activities of daily living;
  -- an individual with a serious or complex medical condition;
  -- an individual participating in a drug addiction or alcohol treatment and rehabilitation program
  -- an inmate in a jail or prison for up to 3 months post-release
  -- a former foster youth under age 26

- NO mandatory exemption for adults based on their status as homeless

Optional Exemptions

- A state may deem an individual to have demonstrated "community engagement" for a month if the individual has a "short term hardship event" during that month.
- A "short term hardship event" includes:
  - -- residing in a county with an unemployment rate that is the lesser of 8% or 1.5 times the national average
  - -- residing in a federal disaster or emergency declaration area
  - -- receiving inpatient hospital, inpatient psychiatric hospital, nursing facility, or other institutional services
- KFF analysis of high unemployment rate counties is here
- Homeless status is NOT a "short-term hardship event"

Administration of Work Reporting Requirements

- At application, states are required to “look back” one month to verify compliance but may look back 3 months
- At redetermination of eligibility (every six months, or even more frequently at a state’s option) states are required to “look back” at least one month to verify compliance but may look back more months
- States are required “where possible” to use ex parte processes based on reliable information available to the state (e.g., state wage databases) to verify compliance
- Detailed KFF summary is here

Implications for Street Medicine Providers and Patients

- Many expansion adults 19-64 will lose Medicaid coverage–or not successfully apply for it–due to red tape starting in 2027 (unless Secretary gives the state a pass until 2029)
- Those adults may become uninsured and lose access to services other than emergency care
- Providers now receiving Medicaid payments for serving those adults will either stop serving those adults or provide more uncompensated care
- Providers now treating adults currently ineligible for Medicaid may see increased demand from disenrolled expansion adults
- MCOs now enrolling those adults will lose membership and revenues

Advocacy Strategies

- Encourage Governor and/or Legislature to request time beyond 1/1/2027 to implement (up through 12/31/28)
- Work with Medicaid agency and any administrative vendor(s) to address the specific circumstances of street medicine patients and providers in the redesign of the E&E systems to minimize coverage loss
- Collect baseline diagnostic and utilization data on street medicine patients before implementation of work reporting requirements to help document eligibility for exemptions

For More Information:

Website/Say Ahhh! Blog:
https://ccf.georgetown.edu/

Detailed Explainer of Medicaid and Marketplace Provisions in HR 1

Are States Ready to Implement Work Reporting Requirements? Analysis

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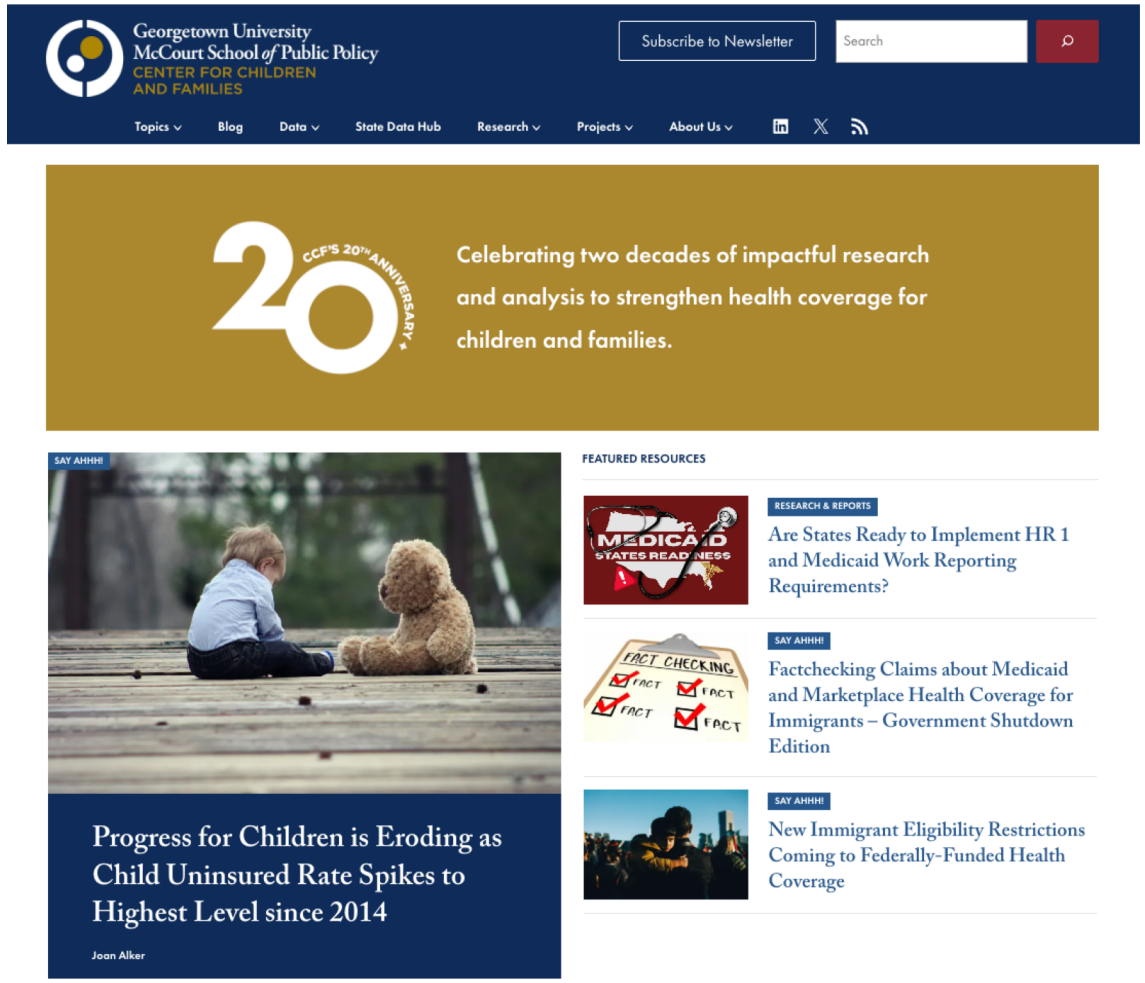

THANK YOU!