PA DHS Update

October 23, 2026

What is PA DHS?

Pennsylvania
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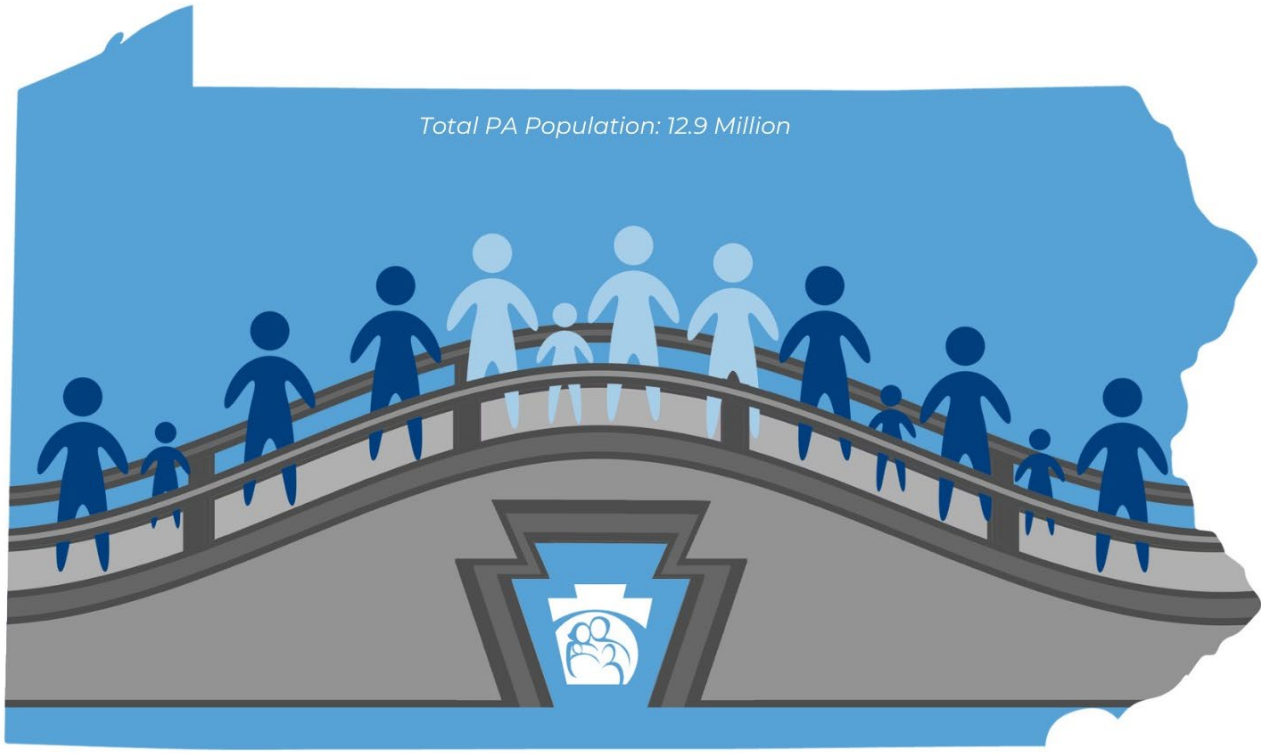
- **Commonwealth agency under Governor's jurisdiction**
- **Approx. 16,000 employees working across nine domains:**
  - Administration
  - Child Development and Early Learning
  - Children, Youth, and Families
  - Developmental Programs
  - Income Maintenance
  - Long-Term Living
  - Medical Assistance (Medicaid) Programs
  - Mental Health and Substance Abuse Services
  - Secretary's & Executive Offices



Pennsylvanians Served by DHS

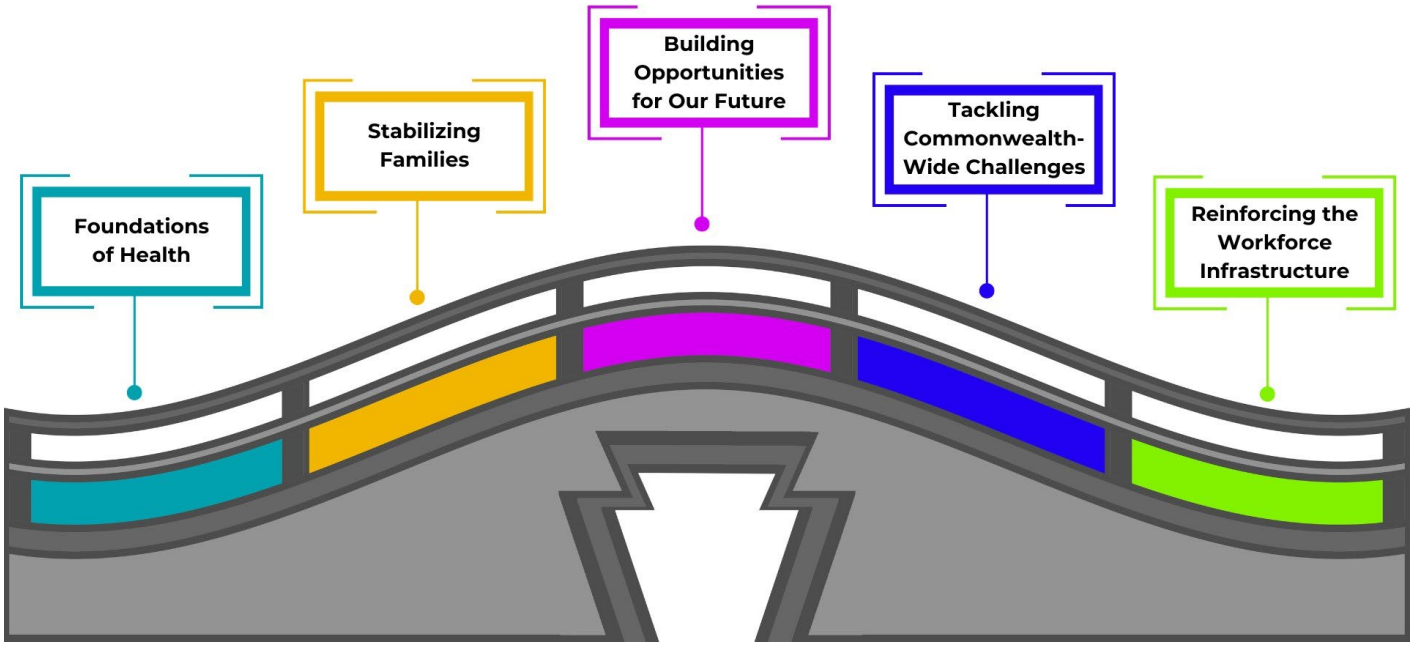
3.5 Million Directly Served Through Public Assistance Programs

9+ Million People Reached Through Provider Licensing, Protective Services, and Other Supports



Bridges to Success

Supporting a Thriving Pennsylvania



Our work's guiding vision

Turning Vision to Action

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- **Launching PA-Navigate.org – two-way resource & referral system**
- **Modernizing care & planning at our state-run facilities by implementing electronic health records**
- **Piloting automatic prior authorizations in Medicaid**
- **Eliminating provider enrollment backlog in PROMISe system**
- **Improving outcomes for participants in Community HealthChoices**
- **Expanding opportunities for Community Health Workers in Medicaid**

Stabilizing Families

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- **Covering doula care in Medicaid & developing Maternal Health Strategic Plan**
- **Decreasing adult emergency waiting list for intellectual disability home and community-based services by 40% since February 2024**
- **Publishing Blueprint roadmap on serving youth with complex needs & launching Pediatric Capacity Building Institute to expand options for care in community**
- **26-27 Budget includes $10 million for 988 call centers – first dedicated state funding for the Suicide and Crisis Lifeline call centers and $5 million to sustain state investment in county walk-in behavioral health crisis centers**

Building Opportunities for Our Future

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- **Launching Women's Health Services Program to support access to reproductive and maternity care and supports**
- **Paying for street medicine services through Medicaid**
- **Prioritizing social determinants of health alongside partners – housing, food as medicine, behavioral health, reentry supports**
- **$50 million increase to county child welfare funding and $658,000 in 26-27 Budget for enhanced ChildLine staffing and training – supporting increased triage and more intentional, prevention-focused support for families**

Investments in Health

Pennsylvania
Department of Human Services

Food is Medicine



INVESTMENTS IN HEALTH

Building Bridges to Success to Support a Thriving Pennsylvania

Reentry Initiative: Why it Matters

Leaving correctional facilities exposes individuals to a heightened risk of health challenges, including mental health and substance use disorders. Two thirds of incarcerated individuals have a history of substance use disorder and are at 12 times the risk of death immediately following release.

Housing Support Services



HR1 Overview

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- **In July 2025, Congress passed a bill that makes changes to the SNAP and Medicaid programs. President Trump signed that bill into law.**
- **This law is also known as H.R. 1.**
  - Changes to SNAP began in 2025.
  - Changes to Medicaid are coming in 2027.

H.R. 1 Implementation

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- **<u>September 1, 2025</u>: End of some SNAP work requirements waivers**
  - Approximately 132,000 SNAP recipients affected by the end of previous waivers.
- **<u>October 27, 2025</u>: Limitation of heating and shelter utility allowance**
  - Households that receive SNAP and LIHEAP previously able to receive extra SNAP benefits through heating and shelter utility allowance; now limited to households with elderly or disabled member under H.R. 1.
    - Approximately 72,000 households had SNAP allotments reduced.
- **<u>November 1, 2025</u>:**
  - **Eligibility Changes for Noncitizens**
  - Fewer categories of noncitizens eligible for SNAP; approx. 20,000 affected
  - **Expansion of SNAP work requirements**
  - SNAP recipients must meet work requirements if they are:
    - 18-64 (up from 54);
    - Parents of a dependent child 14 or older (down from 18 or older); and,
    - Considered physically and mentally able to work.
      - Ended exemptions for veterans and current/former foster youth ages 18-24.
      - Expanded work requirements to approximately 112,000 SNAP recipients
  - –

H.R. 1 Implementation

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To date, approximately 89,000 Pennsylvanians have lost SNAP benefits because of new HR1 rules.

That means approximately 89,000 Pennsylvanians have lost access to life-sustaining food benefits because of H.R. 1 – impacting local economies, our charitable food network, individual health and wellbeing, and more.

H.R. 1 Implementation

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October 1, 2026:

- **SNAP administrative cost sharing:**
  - Generally been shared 50-50 by states and the federal government, changes mandated by H.R. 1 will cause the state's share of administrative costs of the SNAP program to rise significantly, to a 75-25 split starting FFY 2026-27.
- **SNAP ED Closes**
  - $29M funding for this program was cancelled in H.R. 1
    - DHS will use carryover funding to continue through FFY26
- **Medicaid Noncitizen Eligibility Changes**
  - Certain categories of noncitizens (refugees, lawfully-present immigrants) are no longer eligible for Medicaid/CHIP

- **Ongoing in 2026: SNAP Payment Error Rate**

Upcoming H.R. 1 Changes

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Department of Human Services

<u>January 1, 2027 – Major Changes to Medicaid</u>:

Affecting approximately 7**00,000 Pennsylvanians** in the Medicaid expansion group (Adults 19-64)

- **Work Requirements**
  - Adults ages 19-64 who do not have a dependent child under 14 years old must show that they are meeting or exempt from work requirements.
  - This will be reviewed during application, renewal, and when an individual becomes eligible for Medicaid expansion between renewals.
  - If a recipient must meet the requirement but does not follow the new rules or report to PA DHS, they will lose Medicaid coverage.

- **Six-month Eligibility Checks**
  - Medicaid expansion adults ages 19-64 will need to have their Medicaid eligibility checked by completing a renewal every six months instead of every year.

- **Retroactive Coverage**
  - Decreases from three months to:
    - One month for expansion adults.
    - Two months for all other Medicaid.

Upcoming H.R. 1 Changes

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When will these changes apply?

- **For NEW Medicaid Applicants:**

Apply On or After January 1, 2027	Upon Renewal
Applicants not exempt from work requirements will need to demonstrate that they are meeting the work requirement or exemption **in the month before they apply.** (If someone applies in January 2027, they need to show work in December 2026)	Continued eligibility is assessed at every renewal. Recipients will need to show they were exempt or met work requirements in **one of the six months since application.**

Upcoming H.R. 1 Changes

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When will these changes apply?

- **CURRENT Medicaid Expansion Recipients:**

Renewal dates in Sept 2026-Jan 2027	Renewal dates on or after Feb 2027
Recipients will be renewed under the pre-H.R. 1 rules; they will not need to renew again for another year.	Recipients will be renewed under the new H.R. 1 rules, must renew again in six months, AND will need to show they were exempt or met work requirements in **one of the six months since last renewal.**

How to Meet Medicaid Work Requirements

- Applicants and recipients must do one or a combo of these options for at least 80 hours a month:
  - Work
  - Attend school at least half time
  - Volunteer or do community service
  - Participate in a job training program

- Applicants and recipients can also meet work requirements if their household income is at least $580 per month; electronic data and/or County Assistance Office staff will verify

Medicaid Work Requirements

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Medicaid Work Requirement Exemptions

- Applicants and recipients may be exempt from work requirements if they are:
  - Parents/caretakers of a child under 14 OR an individual with a disability
  - Pregnant or postpartum;
  - Members of American Indian or Alaska Native tribes;
  - Veteran with a VA-determined total disability;
  - In treatment for alcohol or substance use disorder;
  - In prison or jail in the last 4 months;
  - Former foster care under the age of 26;
  - Meeting TANF work requirements;
  - Receiving SNAP and subject to SNAP work requirements; OR
  - Medically frail or have special medical needs – more on this in a moment

- Exemptions are also available for temporary hardship situations, like:
  - Recent stay in a hospital, nursing facility, assisted living facility, personal care home, psychiatric, or another residential care facility.
  - Travel to receive medical treatment for a serious health condition for self or dependent.

Providing Information for Work Requirements and Exemptions

- Applicants and recipients will need to provide information that they are meeting work requirements or are exempt.
- DHS will try to use information already available, including trusted data sources, to verify someone is meeting work requirements or exempt.
  - We are committed to onboarding additional data sources.
- If we are unable to verify information electronically:
  - Self-attestation will be accepted in 2027 for work requirement activity participation and exemptions (not income).
    - Applicants and recipients are encouraged to report information fully on their application and/or renewal so additional follow-up is not needed
  - Verification will be required in 2028.

Medical Frailty

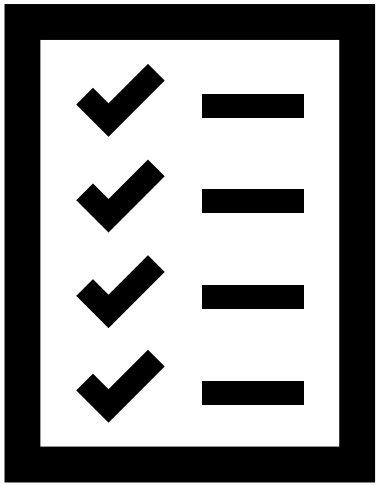
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- Medical frailty is an exemption from work requirements that is required by H.R. 1.
- Our approach to medical frailty determinations relies on multiple trusted sources and science. Will continue to refine through implementation as we gain experience.
- **Key takeaway for physicians and health systems: accurate coding is essential**

Medical Frailty

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Certain people are exempt from the work requirement if they are or have a:



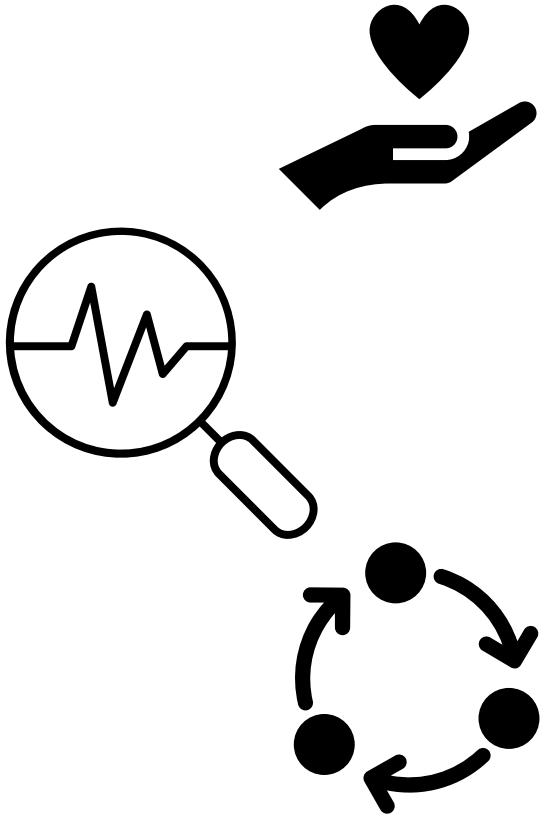
- Medically frail or other special medical need
- Blind or disabled
- Substance use disorder (SUD)
- Disabling mental disorder
- Physical, intellectual, or developmental disability that significantly impairs their ability to perform one or more activities of daily living
- Serious or complex medical condition

PA Approach to Medical Frailty

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Goals:

- **Maintain coverage** for those that remain eligible to avoid gaps in care
- **Minimize paperwork** burden for beneficiaries, clinicians, caseworkers



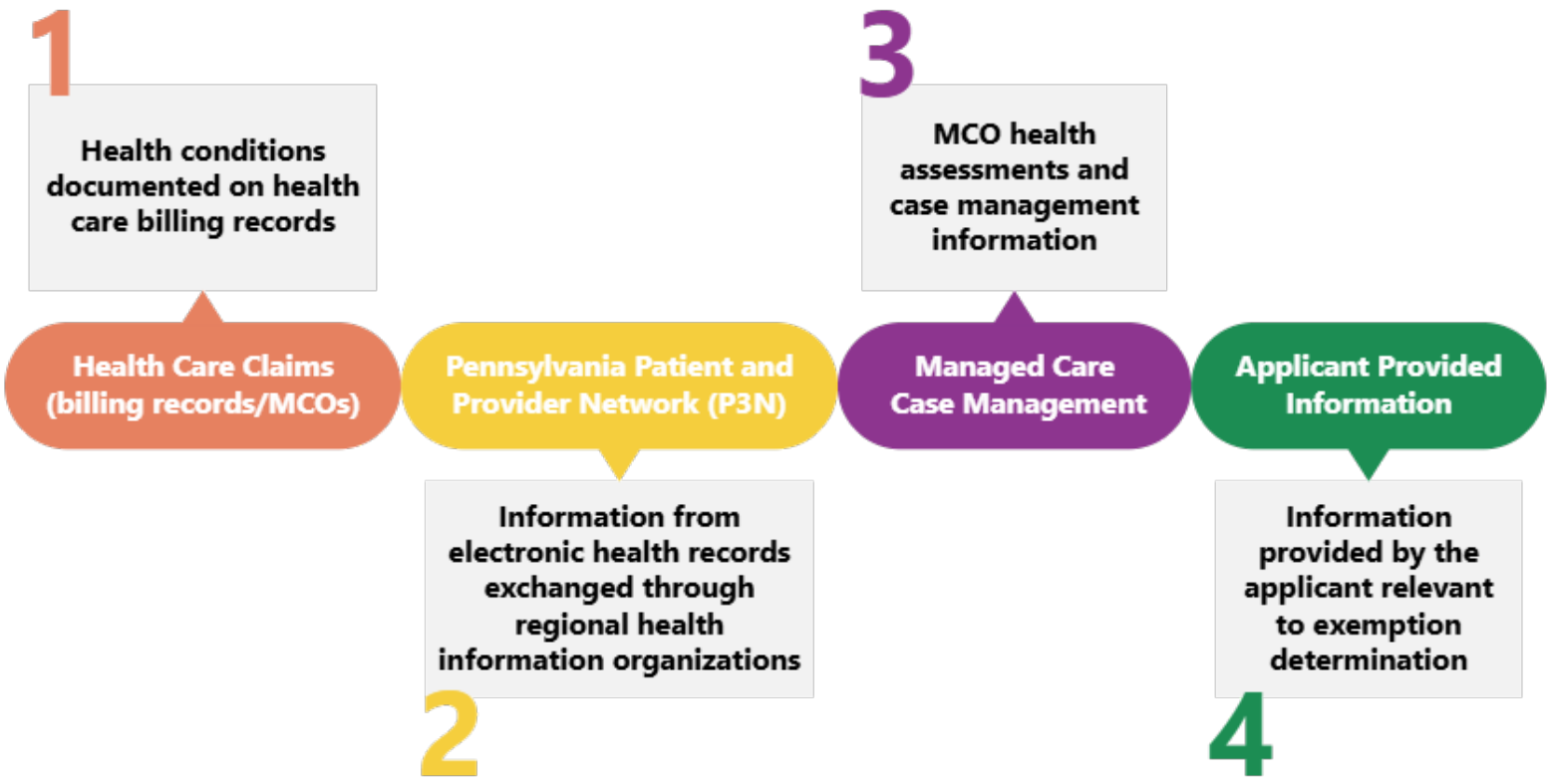
Process:

- Leverage **existing data** sources to the extent possible
- Utilize a **continuous improvement framework** with rapid-cycle innovation methods to evaluate and improve our approach in year one

PA Approach to Medical Frailty

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- **Data first process: Use information from multiple sources to identify presence of health conditions meeting definition of medical frailty**



PA Approach to Medical Frailty

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Interim final rule issued June 1 unexpectedly changed requirements

Identify presence of one or more health condition(s) meeting definition of medical frailty

+

Severity of the health condition significantly impairs ability to comply with work requirements

PA's Modified Approach

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List of health conditions meeting definition of medical frailty

→

Group conditions into three categories:

- **Category 1:** Medically frail based on presence of high-risk, severe condition
- **Category 2:** Medically frail based on presence of a chronic condition with additional supporting evidence of severity, complexity, treatment burden, functional impairment, or overall worse health
- **Category 3:** Medically frail based on the presence of a significant acute or temporary condition

PA's Modified Approach

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Design principles for severity indicators



Available

Consistently available in administrative records and data



Feasible

Manageable for clinicians and analysts



Meaningful

Identify higher complexity care or supported by scientific literature



Efficient

Limits paperwork, cost, and reliance on third-party vendors



Transparent

Clear and explainable for stakeholders



Adaptable

Built for innovation, learning, improvement

PA's Modified Approach

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Severity indicators

Serious, complex, or frequent healthcare use

- Examples: skilled nursing facility admission, repeat emergency care, frequent outpatient visits, high cost

Complex treatment (high risk, frequent monitoring)

- Examples: Dialysis, chemotherapy, radiation

Services that directly reflect functional limitations

- Examples: Durable medical equipment, receiving home health services

Risk factors for impairment and mortality

- Examples: Polypharmacy, multiple chronic conditions, advanced age

How you can help!

Upcoming H.R. 1 Communications

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August 2026 – January 2027 PA DHS Information Outreach:

PA DHS will be sending information about these changes to affected Medicaid recipients by mail, text, and automated call.

- Initial Outreach letters sent to affected recipients end of August/early September
- Text also sent where we have cell phone numbers on file
  - Texts come from **PA DHS 69217**
  - *"New Medicaid work requirements start in 2027. Find out about requirements, exemptions, and how to report to PA Human Services at www.dhs.pa.gov/medicaidchanges"*
- Automated Calls come from **PA DHS 1-877-839-4782**
- Letters and automated calls will continue beyond January 2027 for newly eligible recipients

- **Information will detail the upcoming changes and what Medicaid recipients can be doing now to prepare:**
  - Review requirements and exemptions and take steps needed before their next renewal
  - Update address and sign up for texts and e-notices
  - Many self-service functions are available on www.dhs.pa.gov/compass,
    - Remember, there's no line online!

How You Can Help

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Most Immediate Need:

For clients: If you receive information from PA DHS, please read it!

- Update address with PA DHS **AND** USPS and sign up for texts and e-notices
- Many self-service functions are available on www.dhs.pa.gov/compass, and there's no line online.

For community-based orgs:

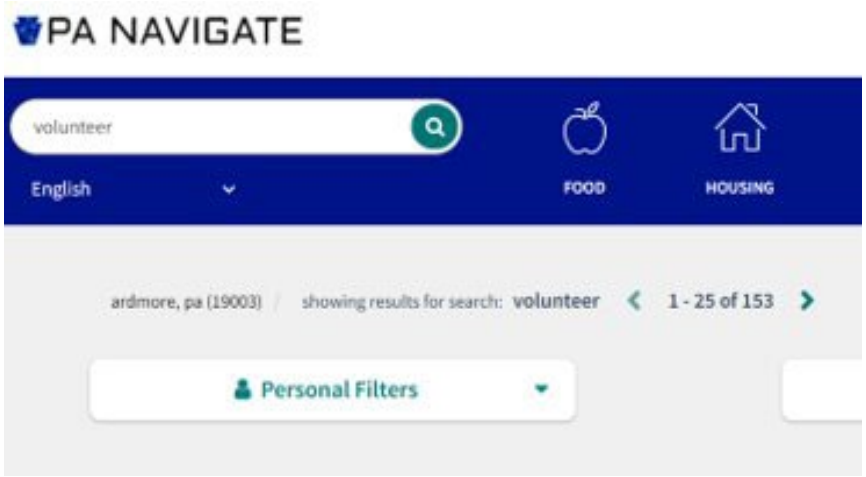
- **Become a COMPASS community partner**
  - COMPASS Community Partners help Pennsylvania residents apply for services like Medicaid and SNAP.
  - Partners can initiate and actively track applications they submit.

How You Can Help

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Department of Human Services

Help Pennsylvanians Meet Work Requirements:

- Have or know of volunteer opportunities? List them on PA Navigate at www.pa-navigate.org
  - Organizations can also sign up at www.panavigatehelp.org to list their organization and volunteer opportunities - encourage your community to be involved



  - How to Find Volunteer Opportunities in Your Community with PA Navigate - YouTube

Helpful Resources

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- **Working on new ways to help providers see when a patient's Medicaid eligibility is scheduled to end**
- **Visit www.dhs.pa.gov/medicaidchanges for a communications toolkit including**
  - Sample newsletter messages
  - Social media posts and graphics
  - Print flyers
  - Examples of client outreach texts
  - FAQ on upcoming changes
  - Screener tool, videos, more coming soon!
- **As additional materials, notices, and direct outreach is finalized, copies will be available on PA DHS' website**
- **Limitations on paid marketing will require assistance from community – what kind of materials will be helpful to each of you? Think platforms, print vs. digital, etc.**
- **Email suggestions & needs to ra-pwdhspressoffice@pa.gov**

Helpful Resources

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Share resources with your community

- **Websites**:
  - www.dhs.pa.gov/FederalCuts - Details all H.R. 1 changes
  - www.dhs.pa.gov/MedicaidChanges - Details Medicaid work requirements & six-month renewals
  - www.dhs.pa.gov/Work - Details SNAP work requirements
  - www.dhs.pa.gov/Data - Medicaid and SNAP enrollment data

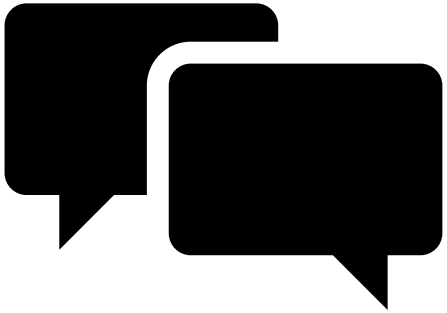
- Call the H.R. 1 FAQ helpline at **1-877-883-6383**

- Sign up for **Human Services Helpers Substack** – get regular updates about programs and services from PA DHS, including suggestions on how you can help.
  - pennsylvaniadhs.substack.com

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RA-HSPADHS-H.R. 1@pa.gov



Thank You!