

Nebraska Medicaid Work Requirements

CMS ITU Training

Note: The information contained in this document is based on guidance from the Centers for Medicare and Medicaid Services (CMS) and other federal entities. The information in this document is subject to change based on updated guidance from CMS, changes to law or regulation, or other circumstances.

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Medicaid Work Requirements Update

- ▶ H.R. 1 (the “One Big Beautiful Bill Act”) was passed into federal law on July 4, 2025, and made many changes to the Medicaid program, including work requirements.
- ▶ Work requirements **only** apply to individuals who are eligible for Medicaid under **Medicaid expansion**.
- ▶ Nebraska currently has ~70K expansion members enrolled in Nebraska Medicaid. Total Medicaid enrollment is currently ~336K.

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Medicaid Expansion

- ▶ Medicaid expansion members include adults who:
 - ▶ Are aged 19-64
 - ▶ Have a low income; defined as up to 138% of the federal poverty level or about \$22,025 per year for one person or \$45,540 for a family of four
 - ▶ Are U.S. citizens or meet Medicaid immigration rules
- ▶ Medicaid expansion members cannot be:
 - ▶ On Medicare
 - ▶ Pregnant
 - ▶ Eligible for Medicaid based on a disability

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When Do Work Requirements Begin?

- ▶ Starting May 1, 2026, Nebraska Medicaid will begin enforcing work requirements for Medicaid members under Medicaid expansion.
- ▶ New applicants:
 - ▶ Individuals applying on/after May 1 who are determined eligible in the Medicaid expansion group will be subject to work requirements.

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When Do Work Requirements Begin?

➤ Existing members:

- DHHS will check to see if members meet work requirements as part of their Medicaid renewal. Not everyone renews their Medicaid coverage at the same time.
- Members with renewal dates in May or June 2026 will not have to show they meet work requirements until their renewal in 2027.
- DHHS will first start checking work requirements for members whose coverage periods end on or after July 31, 2026.
- Members can check when their next renewal is by logging into iServe.

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Three Ways To Comply or Be Exempt

- Qualifying Activities
- Exemptions (exclusions and exceptions)
- Temporary Hardships

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Qualifying Activities

- ▶ Activities members and applicants under Medicaid expansion complete to meet work requirements:
 - ▶ Working
 - ▶ Attending school or an apprenticeship
 - ▶ Participating in a work program
 - ▶ Community service / volunteering

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Qualifying Activities – 80 Hour Criteria

- ▶ Members and applicants must spend at least 80 hours doing one of the qualifying activities in a qualifying month.
- ▶ Members and applicants can combine hours for any of the qualifying activities to get to 80 hours during a qualifying month. For example, 40 hours volunteering and 40 hours participating in an approved work program.
- ▶ Members and applicants can also meet work requirements by attending school or an apprenticeship at least half time.
- ▶ Individuals attending less than half time can combine the equivalent hours with other qualifying activities.

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Qualifying Activity – Income Criteria

- ▶ Members and applicants can also work and earn the federal minimum income threshold in a qualifying month.
- ▶ Medicaid will use the household income, which may be different than the individual income.
- ▶ Equivalent of 80 hours worked at the current federal minimum wage (currently \$7.25/hour) or approximately \$580/month.
- ▶ Seasonal workers can have an average monthly income equal to the federal minimum income threshold (\$580) over a six-month period.

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Exemptions (exclusions and exceptions)

➤ Some members and applicants may not need to complete work requirements if they meet one of the following exemptions:

- People under age 26 who aged out of foster care
- Members of a federally recognized Native American tribes, Urban Indians, California Indians, or people eligible to receive services through the Indian Health Service (IHS)
- Parents, caretakers, or guardians of children up to age 13 or of an individual with disabilities
- Veterans with a total disability rating
- People who are medically frail or have special medical needs, including:
 - Blindness or disability
 - Substance use disorder
 - Disabling mental disorder
 - Or other significant physical, intellectual, or developmental disabilities
- People compliant with work requirements under Temporary Assistance for Needy Families (TANF)
- Members of households that receive Supplemental Nutrition Assistance Program (SNAP) benefits and are not exempt from a work requirement
- People who are participating in a drug addiction or alcohol treatment program
- People who are incarcerated or have been incarcerated within the last 90 days
- Women who are pregnant or up to 12 months after the end of pregnancy

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Temporary Hardships

- Some members and applicants may not need to complete work requirements if they qualify for one of the following temporary hardships:
 - Individuals who were hospitalized or lived in a nursing home.
 - Individuals or a dependent who had to travel outside their community to receive care to treat a serious health condition.
 - Individuals who lived in a county that was under an emergency declaration or in a county with a high unemployment rate.
 - The federal government will define when a county is under an emergency declaration or meets the high unemployment threshold of 8% or 1.5 times the national unemployment rate.

Qualifying Month – New Applicants

- ▶ For people **newly applying** for Nebraska Medicaid:
 - ▶ The qualifying month is the calendar month before the month they apply for qualifying activities and temporary hardships (e.g., an individual applying on May 1, 2026, would need to have a qualifying activity or hardship in April 2026); OR
 - ▶ The qualifying month is either the calendar month before the month they apply or the application month for exemptions (e.g., an individual applying on May 1, 2026, would need to have an exemption in May 2026 or April 2026)

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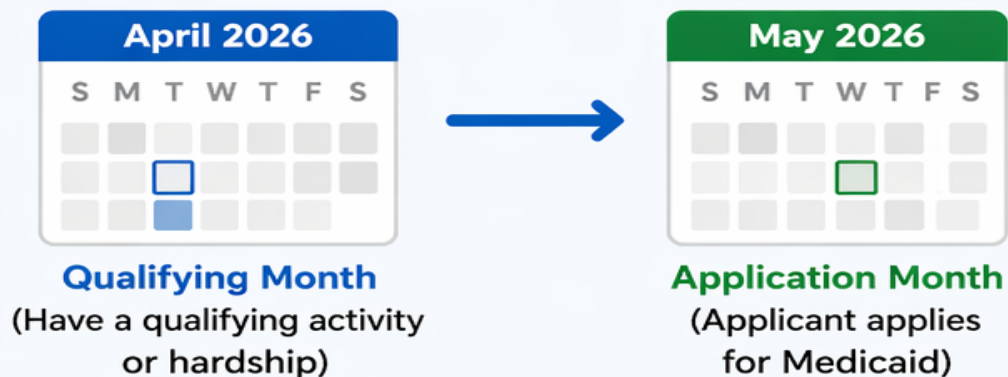
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For People Newly Applying for Nebraska Medicaid



1. Qualifying Activities and Temporary Hardships

The qualifying month is the calendar month **before** the month the applicant applies.



Example:

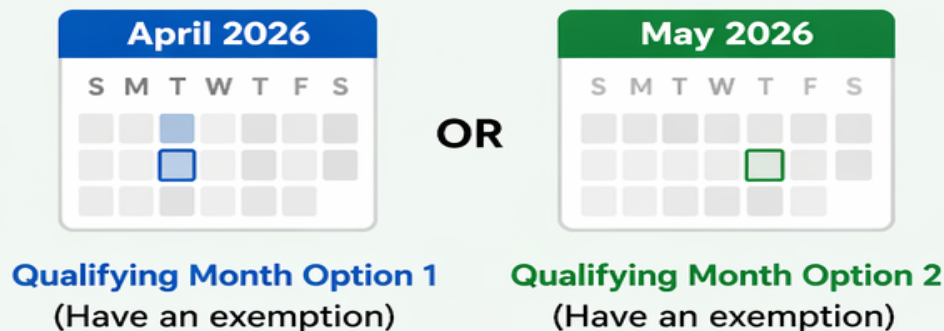
Applicant applying on **May 1, 2026**

The applicant would need to have a qualifying activity or hardship in **April 2026**.



2. Exemptions

The qualifying month is **either** the calendar month before the month the applicant applies or the application month.



Example:

Applicant applying on **May 1, 2026**

The applicant would need to have an exemption in **May 2026** or **April 2026**.



Key Point:

- For qualifying activities and temporary hardships, it must be the month before the applicant applies.
- For exemptions, it can be the month before the applicant applies or the month the applicant applies.

Qualifying Month – Existing Members

- ▶ For existing members, a qualifying month is any one calendar month between their most recent Medicaid determination or renewal and their next regularly scheduled Medicaid renewal (e.g., a member whose annual coverage period ends July 31, 2026, would need to have a qualifying activity, exemption, or temporary hardship between August 1, 2025, and July 31, 2026).
- ▶ In this example, an existing member must demonstrate compliance in one calendar month out of the 12 months during their coverage period.
- ▶ Starting in 2027, Medicaid expansion members will be required to complete semi-annual renewals and will need to demonstrate compliance in one month out of 6 months during the coverage period.

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For Existing Members



A qualifying month is any one calendar month between the member's most recent Medicaid determination or renewal and their next regularly scheduled Medicaid renewal.

EXAMPLE

A member whose annual coverage period ends **July 31, 2026** would need to have a qualifying activity, exemption, or temporary hardship between **August 1, 2025** and **July 31, 2026**.

Most Recent Medicaid
Determination or
Renewal

August 1,
2025

WORK REQUIREMENT REVIEW PERIOD

(Any one calendar month)

AUG
2025

SEP
2025

...

MAY
2026

JUN
2026

JUL
2026

Next Regularly Scheduled
Medicaid Renewal

July 31,
2026

Member must demonstrate compliance in
one calendar month out of these 12 months.



Starting in 2027

Medicaid expansion members will be required to complete semi-annual renewals and will need to demonstrate compliance in one month out of 6 months during the coverage period.

First 6-Month Coverage Period

M1

M2

M3

M4

M5

M6

Member must demonstrate compliance in
one calendar month out of these 6 months.

Semi-Annual
Renewal

Second 6-Month Coverage Period

M1

M2

M3

M4

M5

M6

Member must demonstrate compliance in
one calendar month out of these 6 months.



Key Takeaway: Existing members must show compliance in one month within their coverage period—12 months for annual renewals (2025–2026 example) and 6 months for semi-annual renewals starting in 2027.

Medicaid Application and Renewal Updates

- ▶ Nebraska Medicaid is updating the Medicaid application and renewal forms (online and paper) to include new (optional) **screening questions** to allow members and applicants to provide information that will help verify work requirement qualifying activities, exemptions, and temporary hardships.
- ▶ The new screening questions are **optional** and will not delay processing of an application or renewal.

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New Tribal Screening Questions

- ▶ Is anyone in the household an American Indian, Alaska Native, Urban Indian, California Indian, or otherwise eligible to receive services through the Indian Health Service (IHS)? (This also includes anyone who is eligible to receive services at a Tribal hospital or clinic.)
- ▶ Has anyone in the household ever received care through the Indian Health Service (IHS)? (This also includes anyone who receives services, or has received services, at a Tribal hospital or clinic.)

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Completing Work Requirement Reviews

- ▶ Nebraska Medicaid will **first** review information already available to the agency to determine if a member or applicant has a qualifying activity, exemption, or temporary hardship (this process is known as an ex parte review).
- ▶ In many cases, DHHS expects that members and applicants will not need to provide additional information to demonstrate compliance, reducing paperwork and avoiding unnecessary follow-up for members and applicants.

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Completing Work Requirement Reviews

- ▶ If we do not have enough information to verify compliance, we will contact the member or applicant to request more information.
 - ▶ The member or applicant will receive a verification of compliance request along with an individual declaration form (IDF).
 - ▶ The IDF can be submitted online (iServe), mail, and phone.
- ▶ Members and applicants must respond with the requested information within **30 days** of receipt, or they may be denied or lose their Medicaid coverage.
- ▶ For those members or applicants who do not comply with work requirements, there are two new notice reasons:
 - ▶ *Failure to provide Med Work Requirement compliance*
 - ▶ *Failure to meet Medicaid Work Requirements*

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Completing Work Requirement Reviews

- ▶ Medicaid agencies are required to **verify** information for the **Work** qualifying activity (hours or income).
- ▶ Individuals must provide **primary source documents** that contain required information (e.g., number of hours worked, income, self-employment information)

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Completing Work Requirement Reviews

- ▶ Medicaid agencies will use an individual declaration form (IDF) to verify other qualifying activities, exemptions, and temporary hardships.
 - Education, participating in a work program, and volunteering.
 - All exemptions (exclusions and exceptions).
 - Temporary Hardships: Hospitalized or lived in a nursing home; traveled outside their community to receive care to treat a serious health condition.
 - ▶ County-based hardships will be determined by government data, not individual declaration.

Individual Declaration Form Requirements

- ▶ Members and applicants will need to complete an IDF with identifying information (e.g., organization name, address, contact information, relationship information, medical provider information).
- ▶ Members and applicants **are not required** to provide supporting documentation (e.g., health records) with the IDF.
- ▶ As with a Medicaid application or renewal, members and applicants are providing declared information under penalty of perjury.

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Reporting Native Exemption

- ▶ At application:
 - ▶ Marking that the applicant is Native American on the Medicaid application and/or screener questions
- ▶ Other ways to report:
 - ▶ Call, mail, or visit DHHS to report Tribal enrollment or affiliation
 - ▶ Or working with a Tribal facility to get the information to DHHS
 - ▶ Tribal facilities can report directly to DHHS the members that receive services there.
- ▶ This question is not on the IDF.
- ▶ Health records and documentation are not required.

Facility Process for Submitting Tribal Information

- IHS / Tribal health facilities can submit a letter to DHHS stating that applicants and/or beneficiaries receive services from their facility

- Information can be provided:
 - Online:
 - at <https://iserve.nebraska.gov/>
 - By mail:
 - P.O. Box 2992 Omaha, NE 68103-2992
 - By email:
 - DHHS.ANDICenter@nebraska.gov

Completing Work Requirement Reviews

- ▶ Once a member or applicant meets work requirements as part of the application or renewal determination process, they will not be reviewed again for work requirement compliance until their next review.

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Completing Work Requirement Reviews

- ▶ Verification requirements will change in the future as data sources become available and based on federal regulations or CMS guidance.
- ▶ Education, veterans' disability, and medically frail may be the initial verifications required beyond work (hours and income).

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Medically Frail & SUD Treatment Exemption for Members

- For existing members in Medicaid expansion:
 - Nebraska Medicaid will review available medical claims data approximately 90 days before the end of a member's eligibility period.
 - If qualifying medical conditions or treatment indicators are identified, the member will be deemed exempt without needing to take additional action.
 - If Nebraska Medicaid does not have medical claims for an existing member with qualifying medical conditions, the IDF is needed to provide basic information about their medical condition or Substance Use Disorder (SUD) treatment provider.
 - Additional documentation is not required (e.g., health records or a doctor's note).

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Medically Frail & SUD Treatment Exemption for Applicants

- ▶ Applicants may self-declare that they are medically frail or enrolled in an SUD treatment program.
- ▶ Applicants will be asked to provide basic information about their medical condition or SUD treatment provider.
- ▶ Additional documentation is not required (e.g., health records or a doctor's note).

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Member Outreach

- ▶ In December 2025, Nebraska Medicaid sent a notice by mail to everyone enrolled in Nebraska Medicaid through Medicaid expansion. Nebraska Medicaid also sent follow-up texts and emails to individuals who identified an electronic notice preference.
- ▶ Nebraska Medicaid continues to send notices to anyone who becomes newly eligible in the Medicaid expansion group through April 2026.
- ▶ In April, DHHS began running public service announcements (PSAs), and in May will begin a Social Media campaign.

Key Takeaways

- ▶ Work requirements only affect Medicaid expansion members and applicants.
- ▶ Members and applicants should report Tribal affiliation or enrollment right away.
- ▶ Open and respond to mail from DHHS.
- ▶ Use iServe to check renewal date and complete renewals.
- ▶ Review website & resources for more information.

Additional Resources

- ▶ FAQs and Website are published and are being updated with additional resources.
- ▶ Educational videos.
- ▶ Samples of the screening questions, verification of compliance, and IDF.
- ▶ Medically frail and SUD treatment program information.
- ▶ DHHS is incorporating referrals to job assistance and training, education, and community service resources for Medicaid expansion members.

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Work Requirements Web Page

Nebraska Medicaid Work Requirements:
<https://dhhs.ne.gov/WorkRequirements>

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