

Rule Impact Statement

A. Purpose of the proposed rule and legal authority (75 OS § 253(B)(2)(b)(1), 75 OS 303(D)(2)(a))

The proposed emergency rule will align agency rules with alien eligibility requirements in Section 71109 of HR1 (2025).

Legal authority: 63 O.S. § 5006, 63 O.S. § 5007

B. Brief description of the proposed rule (75 OS 253(B)(2)(b)(3))

The proposed emergency rule aligns agency rules with alien eligibility requirements in Section 71109 of HR1. HR1 (also referred to as the Working Families Tax Cut legislation) restricts federal financial participation (FFP) to four specific groups: US citizens, lawfully-admitted permanent residents (LPRs), Cuban or Haitian entrants as defined by federal law, or a Compact of Free Association (COFA) migrant lawfully residing in the United States under federal law. Most classes of noncitizens previously eligible for SoonerCare benefits are no longer eligible beginning on October 1, 2026, except for Emergency Medicaid benefits.

C. Classification of proposed rule (75 OS 253(B)(2)(b)(2))

Classification: ☐ Major ☒ Nonmajor

Justification: The proposed rule is expected to result in a savings rather than a cost. Total savings with coverage ending: \$6,711,978.00 (State share: \$2,281,401.32)

Total annual implementation and compliance costs: \$0 implementation and compliance costs anticipated. The rule implements a statutory Medicaid requirement restricting eligibility categories. It is not expected to require new material compliance activity.

Methodology used to calculate costs (75 OS 253(B)(2)(b)(7)): Fiscal estimate is based on anticipated savings associated with reduced enrollment associated with alien eligibility requirements in HR1. Implementation costs are expected to be absorbed within agency operations.

D. Description of affected classes of persons most likely to be impacted by the proposed rule (75 OS 253(B)(2)(b)(4), 75 OS 303(D)(2)(b))

Affected classes of persons would include certain noncitizens no longer eligible for benefits, such as certain refugees and asylees.

E. Description of classes who will benefit from the proposed rule (75 OS 253(B)(2)(b)(5), 75 OS 303(D)(2)(c))

Citizens, LPRs, Cuban/Haitian entrants, and COFA migrants may benefit from continued eligibility.

F. Comprehensive economic impact analysis (75 OS 253(B)(2)(b)(6), 75 OS 303(D)(2)(d))

The proposed rule is expected to have minimal direct implementation costs to OHCA and no material compliance cost to the general public. The rule is expected to result in annual savings of \$6,711,978.00, including \$2,281,401.32 in state share, due to reduced enrollment and associated reduction in claims. The rule itself does not impose new licensure, reporting, or fee requirements.

Methodology used to calculated costs (75 OS 253(B)(2)(b)(7)):

Fiscal estimate is based on anticipated savings associated with reduced enrollment associated with alien eligibility requirements in HR1. Implementation costs are expected to be absorbed within agency operations.

G. Probable costs and benefits to OHCA and other agencies (75 OS 253(B)(2)(b)(6), 75 OS 303(D)(2)(e))

Some direct costs anticipated include costs to the agency for systems changes and compliance. Benefits include cost savings from reduced enrollment.

H. Economic impact on political subdivisions and whether their cooperation is required (75 OS 253(B)(2)(b)(8), 75 OS 303(D)(2)(f))

No economic impact expected; no political subdivision cooperation is required.

I. Economic impact on small businesses (75 OS 253(B)(2)(b)(9), 75 OS 303 (D)(2)(g))

No impact to small business is expected.

J. Measures taken to minimize compliance costs and assessment of less costly, less intrusive, or nonregulatory alternatives (75 OS 253(B)(2)(b)(10), 75 OS 303(D)(2)(h))

No compliance costs are anticipated.

K. Effect of the rule on public health, safety, and the environment (75 OS 253(B)(2)(b)(11), 75 OS 303(D)(2)(i))

Potential impacts to public health and safety if a large segment of current residents no longer have health coverage; the expected number of disenrollments is not expected to be high, and because this change is required by federal law, state compliance is required.

L. Detrimental effects if the proposed rule is not implemented (75 OS 253(B)(2)(b)(12), 75 OS 303(D)(2)(j))

Agency would have to rely on federal statute for authority for the required changes, at least until federal rulemaking is completed. State Plan Amendment will be required as well, and if proposed rule is not implemented, State Plan and agency rules will not align. Existing rules provide for benefit eligibility which will no longer be allowed under federal law, leading to confusion and potential improper eligibility determinations.

M. Summary of and preliminary comparison to existing or proposed federal regulations (75 OS 303(D)(2)(n))

Proposed emergency rule closely mirrors new federal statutory requirements. Federal regulations have not yet been promulgated at the time this statement was prepared.

N. Analysis of alternatives to adopting the proposed rule (75 OS 303(D)(2)(l))

Any alternative could lead to failure to comply with federal requirements; penalties could include loss of FFP.

O. Estimates of internal OHCA employee time and other resources used to develop the proposed rule (75 OS 303(D)(2)(m))

Approximately 40 hours across Policy, Legal, Fiscal, and Eligibility for analysis, drafting, review.

P. Date statement prepared or modified (75 OS 253(B)(2)(b)(13), 75 OS 303(D)(2)(k))

Prepared: May 11, 2026

Modified: June 29, 2026