PUBLIC NOTICE

The Oklahoma Health Care Authority (OHCA) is providing public notice and an opportunity for comment regarding proposed changes to Oklahoma Medicaid and Children's Health Insurance Program (CHIP) eligibility policies, including State Plan amendments where required, to implement certain provisions of Public Law 119-21. The law is commonly known as the "One Big Beautiful Bill Act" and is referred to by the Centers for Medicare & Medicaid Services (CMS) as the "Working Families Tax Cut" legislation.

OHCA sent I/T/U notices to inform tribal partners of these changes on April 24 and June 26, 2026. The proposed changes were presented during Tribal Consultation meetings held on May 5 and July 7, 2026, at 11:00 a.m., in person and by teleconference.

ELIGIBILITY FOR CERTAIN NONCITIZENS

Beginning October 1, 2026, federal Medicaid and Children's Health Insurance Program funding for full-benefit coverage will generally be limited to United States citizens and nationals, lawful permanent residents, Cuban and Haitian entrants, and Compact of Free Association (COFA) migrants.

Certain individuals who are currently eligible for full-benefit coverage based on another qualifying immigration status will no longer qualify for federally funded full-benefit Medicaid or CHIP coverage. These individuals will remain eligible for coverage of services necessary to treat an emergency medical condition, provided they meet all other Medicaid eligibility requirements.

Affected members will receive individual notice of any change to their eligibility and information regarding their appeal rights.

Budget Impact: The estimated total savings for SFY 2027 is $5,033,983; with $1,718,601 in state share savings. The estimated total savings for SFY 2028 is $6,711,978; with $2,291,469 in state share savings.

This change is being implemented pursuant to Public Law 119-21.

Effective: October 1, 2026, contingent upon CMS Approval

SIX-MONTH ELIGIBILITY RENEWALS

Beginning January 1, 2027, certain adults enrolled through the Medicaid adult expansion group will be required to renew their eligibility every six months instead of every 12 months. OHCA will notify affected members when it is time to renew. Members should respond to requests for information by the date provided in their renewal notice.

This change does not apply to all SoonerCare members. Affected individuals generally include adults ages 19-64 enrolled in the Medicaid expansion group, subject to the exceptions provided under federal law. American Indians and Alaska Natives are exempt from this requirement.

This change is being implemented pursuant to Public Law 119-21.

Effective: January 1, 2027, contingent upon CMS Approval

REDUCED RETROACTIVE ELIGIBILITY

Beginning January 1, 2027, the period for which Medicaid eligibility may be established before the month of application will be reduced. For individuals in the adult expansion group, retroactive eligibility will generally be limited to the month immediately before the application month. For most other Medicaid eligibility groups, retroactive eligibility will generally be limited to the two months immediately before the application month. Applicants must have met all applicable Medicaid eligibility requirements during the retroactive period.

This policy represents a change from current practice, which generally allows retroactive eligibility for up to three months. This change is being implemented pursuant to Public Law 119-21.

Budget Impact: The estimated total cost Reduced Retroactive Eligibility & 6-Month renewals for SFY 2027 is $889,277; with $181,505 in state share savings. The estimated total savings for SFY 2028 is $1,802,884; with $112,680 in state share savings.

Effective: January 1, 2027, contingent upon CMS Approval

WORK REQUIREMENTS

Beginning January 1, 2027, certain adults enrolled through the Medicaid adult expansion group will be required to meet federal work requirements, also known as community engagement requirements, as a condition of eligibility.

Individuals may meet the requirement through qualifying activities such as employment, community service or volunteering, participation in a qualifying work program, or education. Individuals may combine qualifying activities to meet the requirement of at least 80 hours per month. Enrollment in a qualifying educational program at least half-time also satisfies the requirement. Alternatively, individuals may meet the requirement based on qualifying monthly income.

Certain individuals will be excluded from these requirements under federal law and are not required to demonstrate community engagement. These individuals include:

- Former foster youth under age 26
- American Indians/Alaska Natives
- Parents, guardians, or caregivers of a dependent child age 13 or younger, or of a disabled individual
- Veterans with total disability rating
- Individuals who are medically frail or otherwise have special medical needs, including individuals who are blind or disabled, have a substance use disorder, have a disabling mental disorder, have a physical, intellectual, or developmental disability that significantly impairs the ability to perform one or more activities of daily living, or have a serious or complex medical condition;
- Individuals who meet applicable federal requirements related to Temporary Assistance for Needy Families (TANF) or Supplemental Nutrition Assistance Program (SNAP) work requirements;
- Individuals participating in qualifying drug addiction or alcohol treatment and rehabilitation programs;
- Inmates of public institutions
  Pregnant individuals and individuals receiving Medicaid postpartum coverage.

Federal law also provides mandatory exceptions under which an individual who is otherwise subject to the work requirements is deemed compliant for a particular month. These include certain individuals who:

- Are under age 19
- Are entitled to or enrolled in Medicare Part A or enrolled in Medicare Part B
- Were an inmate of a public institution at any point during the three-month period ending on the first day of the month for which compliance is being evaluated.

OHCA will also provide short-term hardship exceptions as permitted under federal law. These may apply in circumstances involving certain inpatient or similarly acute medical services, federally declared emergencies or disasters, qualifying high unemployment, or extended travel outside an individual's community for necessary medical treatment.

OHCA will provide additional information regarding qualifying activities, exclusions, exceptions, verification requirements, and the process for demonstrating compliance as implementation details are finalized.

Affected members will receive notice explaining the requirements, applicable exclusions and exceptions, actions they may need to take, and their appeal rights. If OHCA is unable to independently verify an individual's compliance, the individual will receive notice providing 30 days to demonstrate compliance.

Budget Impact: The estimated total savings for SFY 2027 is $69,229,060; with $18,013,871 in state share savings. The estimated total savings for SFY 2028 is $50,031,900; with $3,412,350 in state share savings.

This change is being implemented pursuant to Public Law 119-21.

Effective: January 1, 2027, contingent upon CMS Approval

Additional information and implementation materials, including proposed State Plan amendments when available, will be posted at oklahoma.gov/ohca/policies-and-rules/proposed-changes. Written comments will be accepted from September 1 through October 1, 2026. Comments may be submitted through the OHCA policy webpage, by email to federal.authorities@okhca.org, or by mail to:

Oklahoma Health Care Authority
Policy & Partnerships Unit
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