NJ FamilyCare/Medicaid – H.R.1 Community Engagement/Work Requirements Outreach

Quick Reference Guide for Stakeholders

What's changing:

- A new federal law (H.R. 1 / OBBBA) is changing NJ FamilyCare / Medicaid coverage requirements for certain adults ages 19 to 64 who are enrolled in the Alternative Benefit Plan (ABP), also known as "Expansion Adults"
- **Starting January 1, 2027,** Expansion Adults will have to do **one of the following** to keep their NJ FamilyCare coverage, unless they qualify for an exception or exclusion: (1) have a household income of at least $580 per month, (2) attend school at least half-time, (3) work, participate in a job training program, or volunteer for at least 80 hours per month, (4) a combination of the above activities for at least 80 hours per month
- Expansion Adults will also experience the following changes starting January 1, 2027**:**
    - **Six-month renewals:** All Expansion Adults, except for Alaska Natives or members of a federally recognized American Indian tribe, will renew NJ FamilyCare / Medicaid coverage every 6 months instead of every 12 months
    - **Shortened retroactive coverage:** Expansion Adult members who receive healthcare before applying or re-enrolling in NJ FamilyCare can only be reimbursed for costs incurred in the month before they apply, instead of up to 3 months before. Therefore, even though members have 90 days to respond after coverage termination, delaying documentation submission now creates a greater risk of a coverage gap.
- Changes will phase in for members based on when they apply or renew. **New applicants who apply in January 2027 and current members with renewals beginning in March 2027, will be the first members subject to the new work requirements and six-month renewal cycle.** Members who apply or renew before those dates will remain under the pre-OBBBA rules until their next renewal.

Who is excluded or excepted from work requirements

- Members can be excluded or excepted from work requirements if they qualify
- **An exclusion** means work requirements do not apply to the member because they fall into a specifically excluded category
    - To be excluded,
        - New applicants must have an exclusion either in the month before they apply or in the month they apply
        - Current members must have an exclusion at any time since their last renewal
- **An exception** means work requirements normally apply, but the member does not have to meet them currently because of certain circumstances
    - To be excepted,
        - New applicants must have an exception in the month before they submit their application

        - Current members must have an exception at any time since their last renewal
- Stakeholders and members can find the list of qualifying exclusion categories and exception circumstances on the official OBBBA work requirement subpage (http://medicaidworkrules.nj.gov/)

How DMAHS is verifying work requirements

- **Electronic check:** NJ FamilyCare will first review existing electronic data, such as prior application data or wage records, to check if the member qualifies for an exclusion or an exception or meets requirements
    - If these electronic checks confirm the member meets work requirements or qualifies for an exclusion or exception, coverage renews automatically with no action needed. The member will be notified they were automatically renewed
- **Documentation submission:** If electronic checks cannot confirm member status, NJ FamilyCare will mail the member a renewal packet and any subsequent Requests for Information letters (RFIs). RFIs are only used if the State needs more information beyond the completed renewal packet to verify eligibility
- **Timeline:** For new applicants, compliance is verified based on the month before application; for current members, compliance may be demonstrated at any point since their last renewal

How you can support members:

- **Help them check whether work requirements may apply to them.**
    - Ask them to check their health plan ID card for “ABP” or “Alternative Benefit Plan”, which means they are an Expansion Adult
    - If they are not sure of their plan type, help them call the member services number on the back of their health plan ID card
    - Remind them that work requirements do not apply to everyone and help them use the NJ FamilyCare Activity Requirements Checker (http://www.njfcchecker.nj.gov/) or visit MedicaidWorkRules.nj.gov to see whether they may qualify for an exclusion or exception
- **If they do not appear to meet an exception or exclusion, help them identify how they may meet the work requirement**
    - Talk with them about activities they are already doing that may count toward work requirements
    - If they are not currently participating in a qualifying activity, help connect them to employment, education, training, or volunteer resources, which can be found on the work requirements subpage (http://medicaidworkrules.nj.gov/)
- **Explain the need to keep records that may be necessary for renewal**
    - Encourage them to save records showing qualifying activities, such as pay stubs, timesheets, or school, job-training, or volunteer records
    - Help them organize or obtain copies of records if needed

    - Remind them to **wait** until prompted by a NJ FamilyCare letter to provide documents: submitting before outreach could affect automatic, ex parte renewal processes or documents might be lost and need to be sent again
- **Help them stay reachable and watch for NJ FamilyCare notices**
    - Ensure their address, phone number, and email are up to date with NJ FamilyCare by updating at https://dmahs-nj.my.site.com/addressupdate/ or by calling 1-833-409-2370
    - Encourage them to read mail from NJ FamilyCare as soon as it arrives
    - If NJ FamilyCare asks for additional information, help them understand the request, gather the requested information, and respond by the deadline

Please refrain from providing educated guesses regarding a member's continued eligibility.

More information and FAQs:

- **Work requirements subpage** (http://medicaidworkrules.nj.gov/) for information on Expansion Adult eligibility changes (member-friendly)
- **Stakeholder subpage** (https://www.nj.gov/humanservices/dmahs/obbba/stakeholders/) for guidance on how to support Expansion Adults
- **NJ Healthcare Quality Institute webpage** (https://www.njhcqi.org/hr1/) for information on stakeholder webinars, office hours, and additional resources

Have a DMAHS presentation request? Complete the DMAHS federal changes stakeholder inquiry form (https://forms.cloud.microsoft/g/sgyprwnmLW)

Questions? Email: MAHS.FederalChanges@dhs.nj.gov

- Please note that this email is intended for **stakeholder** questions and inquiries only and not for members or member-specific issues
- Do not include any Personally Identifiable Information or Protected Health Information in your emails