



Provider Notice

Important Medicaid Changes Under Federal H.R. 1: Preparing for Member Eligibility Changes

We are sharing important information regarding upcoming changes to Pennsylvania's Medical Assistance (Medicaid) program resulting from the federal law H.R. 1, signed into law in July 2025. Pennsylvania's Department of Human Services (PA DHS) is implementing several changes that will impact eligibility and renewal requirements for certain Medicaid members beginning January 1, 2027.

As trusted partners in the delivery of behavioral health services, providers play an important role in helping members remain connected to care and informed about changes that may affect their health coverage.

Magellan's [HR1 Information webpage](#) includes comprehensive resources from PA DHS to include the [HR1 FAQ Line \(1-877-883-6383\)](#). ***Review this webpage together with colleagues and your members as soon as possible to prepare for the upcoming Medicaid changes.***

Key Changes Effective January 1, 2027

The following changes may affect some adults ages 19 to 64 enrolled in Medicaid:

- 1. Community Engagement (Work) Requirements** - Certain Medicaid recipients will be required to demonstrate compliance with work or community engagement requirements or qualify for an exemption. Individuals who do not meet reporting requirements may be at risk of losing Medicaid eligibility.
- 2. More Frequent Eligibility Renewals** - Some Medicaid recipients will be required to complete eligibility renewals every six months instead of annually.
- 3. Changes to Retroactive Coverage** - Modifications to retroactive Medicaid coverage

requirements will also take effect beginning January 1, 2027. Retroactive coverage windows will shorten to the following:

- One month for Medicaid expansion adults (age 19-64)
- Two months for all other Medicaid recipients

Why This Matters for Behavioral Health Providers

Behavioral health providers often serve individuals with complex clinical, social, and economic needs. Interruptions in Medicaid coverage may result in disruptions to behavioral health treatment, medication management, care coordination, substance use disorder treatment, and recovery support services.

Providers are encouraged to proactively engage members and assist them in preparing for these eligibility changes to help support continuity of care.

Recommended Provider Actions

- Remind members to keep their mailing address, phone number, and email address current with Pennsylvania Department of Human Services.
- Encourage members to read and respond promptly to communications received from DHS.
- Assist members in understanding the importance of completing Medicaid renewals when requested.
- Enroll in the [COMPASS Community Partners program](#).
- Support members in identifying whether they may qualify for an exemption from community engagement requirements.
- Support members in identifying work/volunteer opportunities within your organization or within the community.
- Incorporate Medicaid eligibility discussions into care planning, case management, and discharge planning workflows.
- Pay particular attention to members experiencing serious mental illness, substance use disorders, housing instability, or other circumstances that may create barriers to compliance with eligibility requirements.

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