

# Medicaid

## Medicaid Matters New York

# Matters

**For immediate release:** June 2, 2026

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### **Coverage at Risk for About One Million New York State Residents as CMS Reverses Course, Releases Guidance Stricter than Enacted Law**

**Albany, NY** – On June 1<sup>st</sup>, the Centers for Medicare & Medicaid Services (CMS) released an interim final rule that dictates how states must implement the Medicaid work reporting requirement mandated by H.R. 1, the federal budget reconciliation package Republicans passed last year. The law requires most New Yorkers enrolled in Medicaid expansion coverage to prove they are working, going to school, or that they qualify for an exemption to retain their Medicaid coverage. Over 900,000 New Yorkers may lose Medicaid coverage due to these requirements, according to March estimates from the Urban Institute<sup>1</sup>.

**Maggie Sanchez, a Medicaid beneficiary in New York City and member of the Medicaid Matters New York Steering Committee** said, “For us, Medicaid is a lifeline. That’s how our family gets the necessary medications needed just to survive. Many in my family have serious health concerns. What are my loved ones supposed to do if because of these requirements they end up with a gap in service? They will end up in the hospital emergency room with enormous amounts of debt. That will only lead to their mental and physical health declining even more. They could die because of these eligibility requirements.”

“The rule issued by CMS is worse than we could have imagined. This proves, as we and countless other advocates said, H.R. 1 was never about connecting people to work and educational opportunities. It was never about protecting coverage for people with disabilities, people with chronic conditions, and more. It was simply about kicking people who are otherwise eligible for coverage off of Medicaid,” said **Medicaid Matters New York Coalition Coordinator, Lara Kassel**.

Since Congress passed H.R. 1 last July, New York State officials have been planning for the January 1<sup>st</sup>, 2027 launch of Medicaid work reporting requirements. The timeline for implementation was already tight, inviting room for error that could harm people most at risk. With release of this rule, states must implement higher barriers for demonstrating medical frailty, imposing stricter conditions than what was enacted into law. In addition, CMS is requiring duplicative documentation and prohibiting states from choosing consumer-friendly tools like self-attestation. This will be particularly burdensome for people in volunteer roles, people with chronic conditions who are not receiving services, caregivers, and others who are exempt from work.

**Kassel added**, “We know Department of Health staff is working hard to lower the risk of coverage loss for the most New Yorkers possible, and we look forward to continuing to hear more about their efforts, despite the blow delivered by this rule.”

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<sup>1</sup> Buettgens, M., Karpman, M., Haley, J.M., Carter, J., Kenney, G.M. (2026). [Projected Reductions in Medicaid Expansion Enrollment Under OBBBA’s Work Requirements and Six-Month Redeterminations](#). Urban Institute.