

November 3, 2025
Administrator Mehmet Oz
Centers for Medicare & Medicaid Services
Department of Health and Human Services

Re: Implementation Considerations for the Community Engagement Requirements of the “One Big Beautiful Bill Act”

Dear Administrator Oz:

On behalf of Medicaid Managed Care Organizations (MCOs), we appreciate your leadership and commitment to stakeholder engagement at the Centers for Medicare & Medicaid Services (CMS). CMS’ dedication to collaboration and transparency under your direction is critical to ensure that the Medicaid program continues to deliver for enrollees, states, and other relevant stakeholders as we move forward on a new pathway. We stand ready to collaborate with your agency and states as they begin to implement the Medicaid provisions of the “One Big Beautiful Bill Act” (OBBBA). Medicaid MCOs are uniquely positioned to coordinate with CMS, states, and providers to support the implementation of OBBBA while continuing to deliver high-quality services to Medicaid enrollees. In that light, we have several considerations to share on the operationalization of the Medicaid provisions of OBBBA, most notably the community engagement requirements provision.

Medicaid MCO Role in Community Engagement Requirements

We understand that OBBBA restricts MCOs from serving as the compliance entity for community engagement requirements. However, MCOs have an important role to play in supporting enrollees with eligibility requirements, through education and referral to relevant resources. We request that CMS clarify that MCOs can serve in this function. Medicaid MCOs can serve as an important resource for enrollees to ensure that eligible individuals who are compliant with community engagement requirements continue receiving Medicaid benefits.

Modernizing Outreach to Ensure Effective Communication

During the unwinding of the COVID-19 Public Health Emergency (PHE), as states resumed redeterminations of Medicaid eligibility, Medicaid MCOs played an important role in outreach to enrollees through a variety of modalities. We believe Medicaid MCOs can leverage these best practices to support states in the implementation of community engagement requirements with continued relief from restrictions in the Telephone Consumer Protection Act (TCPA) allowing for robust outreach and engagement through multiple modalities. Beneficiaries are successfully reached and benefit from modern, efficient and consumer-preferred communication modalities as evidenced by the higher call connection rates, email open rates, and text received rates when compared with the experience before the post-PHE redeterminations.

Data Sharing and Clarifying Definitions

OBBA provides exceptions for individuals who are medically frail or otherwise have special medical needs (as defined by the Secretary), including an individual with substance use disorder (SUD). To support implementation, we recommend that CMS work closely with states, plans, and other stakeholders to ensure clear, standard, and consistent definitions in this category with consideration for existing state and federal definitions. Additionally, we seek guidance from CMS on best practices for relevant stakeholders, including states, plans, and providers, to share SUD patient data while remaining compliant with patient privacy protections which are heightened for that condition. Standard practices and a toolkit would help stakeholders navigate this process while preserving the legal rights of enrollees.

MCOs have indicated that data sharing between the Social Security Administration (SSA) and states can often entail a significant lag time, raising concerns that delays may pose a barrier to securing needed exemptions from community engagement requirements and negatively impact enrollment. We ask that CMS work with the SSA to support timely data sharing with states, so they have the best information available to ensure that community engagement requirements function effectively.

Avoiding procedural disenrollments and ensuring the high-fidelity implementation of OBBBA's community engagement provisions will require detailed guidance on new data-sharing best practices for MCOs, states and federal agencies. Certain pertinent demographic information, such as whether an enrollee is a caretaker for children under age 14, is unavailable to plans, for example, but may be identified through data sources for other programs (e.g., Special Supplemental Nutrition Program for Women, Infants, and Children) and used to support ex parte determinations. Additionally, claims data could potentially be leveraged to identify individuals that could meet the definition of medically frail, but the aggregation and sharing of this information would benefit from additional technical support and guidance. Supporting the successful exemption of eligible enrollees is crucial given both statutory intent and the severe health risks of coverage loss for these populations.

Attestations as a Compliance Mechanism

Since self-attestations as a compliance mechanism for community engagement requirements are not prohibited by OBBBA, we also encourage CMS to explicitly include and permit self-attestations as a tool for states to leverage when determining compliance with community engagement requirements. This would be particularly useful in the early years of work requirements, given tight implementation timeframes. In some instances, collecting documentation to prove that an individual is compliant with community engagement requirements can be challenging. If an individual is a seasonal or gig worker, being self-employed and working for numerous clients can make it challenging to document hours worked or income gained. It can also be challenging for individuals completing volunteer and education hours to document that activity and report it to the state. Community engagement requirements for the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) allow for self-attestations to be used in limited

circumstances and can be similarly leveraged here while allowing for subsequent third-party documentation and data matching to confirm compliance.

State and County Bandwidth Constraints

The community engagement requirements provision of OBBBA, paired with the requirements to make determinations of eligibility more frequently is likely to contribute to bandwidth constraints for states. We are concerned that counties in states with a strong county role in administering Medicaid will similarly face bandwidth constraints in processing eligibility determinations more frequently and tracking community engagement requirements. Counties and states will often benefit from developing their IT infrastructure to roll out new systems within the timelines stipulated by the statute. Technical assistance from CMS would be helpful to support standing up these systems, as well as how states can benefit from the existing administrative match available to help states develop infrastructure relating to eligibility.

Streamlining the Compliance Process

To streamline the compliance process for states and enrollees, we recommend CMS empower states to align reporting requirements with program eligibility determinations, using electronic data sources to validate when possible. We suggest that CMS explicitly allows a broad base of activities to count toward employment, education, or volunteering. To minimize administrative burden, CMS can require states to include which members will need to verify activities and when in 834 files shared with MCOs. Technical assistance to states in leveraging current data sources to verify eligibility, specifically for income verification, would be helpful as well as support for states in expanding and improving upon their current ex parte processes, incorporating lessons identified by CMS during redeterminations.

Support for States' Good Faith Efforts

Where appropriate, we ask CMS to grant extensions for states making a good-faith effort toward compliance, as allowed by OBBBA. Additional time will help many states build stronger connections with workforce development systems to better-support employment, enhance economic mobility, and reduce administrative strain, all while maintaining continuity of coverage for eligible individuals.

Rate Pressures

Finally, we wish to highlight several factors that are contributing to a unique environment creating significant pressures for states and health plans. Factors include unpredictable trends, program design changes, prescription drug policies, economic pressures relating to tariffs, and regulatory pressures. The applicability of community engagement requirements to the expansion population, which tends to have fewer acute health conditions than the traditional population, is likely to exacerbate rate pressures currently being experienced by MCOs. We anticipate the community engagement requirements will lead to coverage losses and churn of healthier expansion population enrollees; this will result in MCO capitation rates that are not reflective of the acuity of the remaining members. Given this, we

recommend that CMS encourage states to review and adjust capitation rates based on emerging data at least quarterly and disseminate guidance to states on risk mitigation strategies in managed care to ensure the sustainability of states' managed care programs as they navigate a time of significant uncertainty.

We thank CMS for considering our feedback as we approach the effective dates for OBBBA's provisions. If you have any questions or seek follow-up, please do not hesitate to reach out to Shannon Attanasio, Senior Vice President, Government Relations, Policy & Advocacy at MHPA (sattanasio@mhp.org), and Jenny McGuigan Babcock, Senior Vice President of Medicaid Policy at ACAP (jbabcock@communityplans.net).

Medicaid MCOs look forward to continuing to collaborate with CMS, states, and providers to deliver on this Administration's vision for the Medicaid program while continuing to provide high-quality care for Medicaid enrollees.

Please feel free to reach out to us with any questions or should you need any additional information.

Sincerely,

Medicaid Health Plans of America



Association for Community Affiliated Plans



Cc: Dan Brillman, Deputy Administrator and Director, CMCS
Caprice Knapp, Principal Deputy Director, CMCS
Grant Thomas, Senior Advisor, CMCS
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