
HR 1 Implementation: Medical Frailty



Pennsylvania
Department of Human Services

May 6, 2026

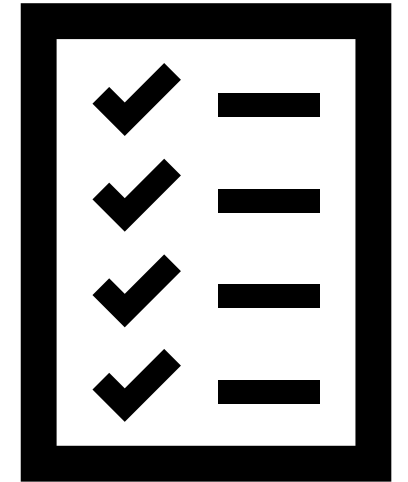
HR1 Statutory Requirements

- New federal work and community engagement requirements (CER) as of Jan 2027 for the Medicaid adult expansion population
- **To meet work and community engagement requirements IN A GIVEN MONTH**, individuals must do one or a combination of the following:
 - Work at least 80 hours (20 hours a week on average)
 - Complete at least 80 hours of community service (20 hours a week on average)
 - Participate in a work program for at least 80 hours (20 hours a week on average)
 - Be enrolled in an educational program at least half time
 - Engage in any combination of the above for a total of at least 80 hours
 - Have monthly income not less than federal minimum wage x 80 hours (\$580)
 - Have an average monthly income over preceding 6 month that is not less than federal minimum wage x 80 hours and is a seasonal worker (\$580 monthly average)



Work and community engagement requirements exemptions

- HR1 exempts certain people from the requirement including: **an individual who is medically frail or otherwise has special medical needs** including people who are or have a:
 - Blind or disabled
 - Substance use disorder
 - Disabling mental disorder
 - Physical, intellectual, or developmental disability that significantly impairs their ability to perform one or more activities of daily living
 - Serious or complex medical condition
- HR1 also allows for short-term hardship exemptions (e.g., recent hospital admission)



Implementation principles



Minimize paperwork by using existing sources of information



Make information available at the time it is needed in the redetermination process



Identify new health conditions or events in a timely manner



Innovate and evaluate to focus on continuous improvement of the process



Compliance and exemption check using information available to the Commonwealth

Compliance Check:

Records show applicant is meeting work or other compliance activities through available avenues

Exemption/Hardship Check:

*Records show applicant meets an exemption such as being a caregiver, recent incarceration, is **medically frail** or other qualifying activity*

Applicant Provided Information:

Limited to situations when information is not available to the state to determine compliance with or exemption from community engagement requirements



Process will vary for new applicants versus renewal

At Renewal

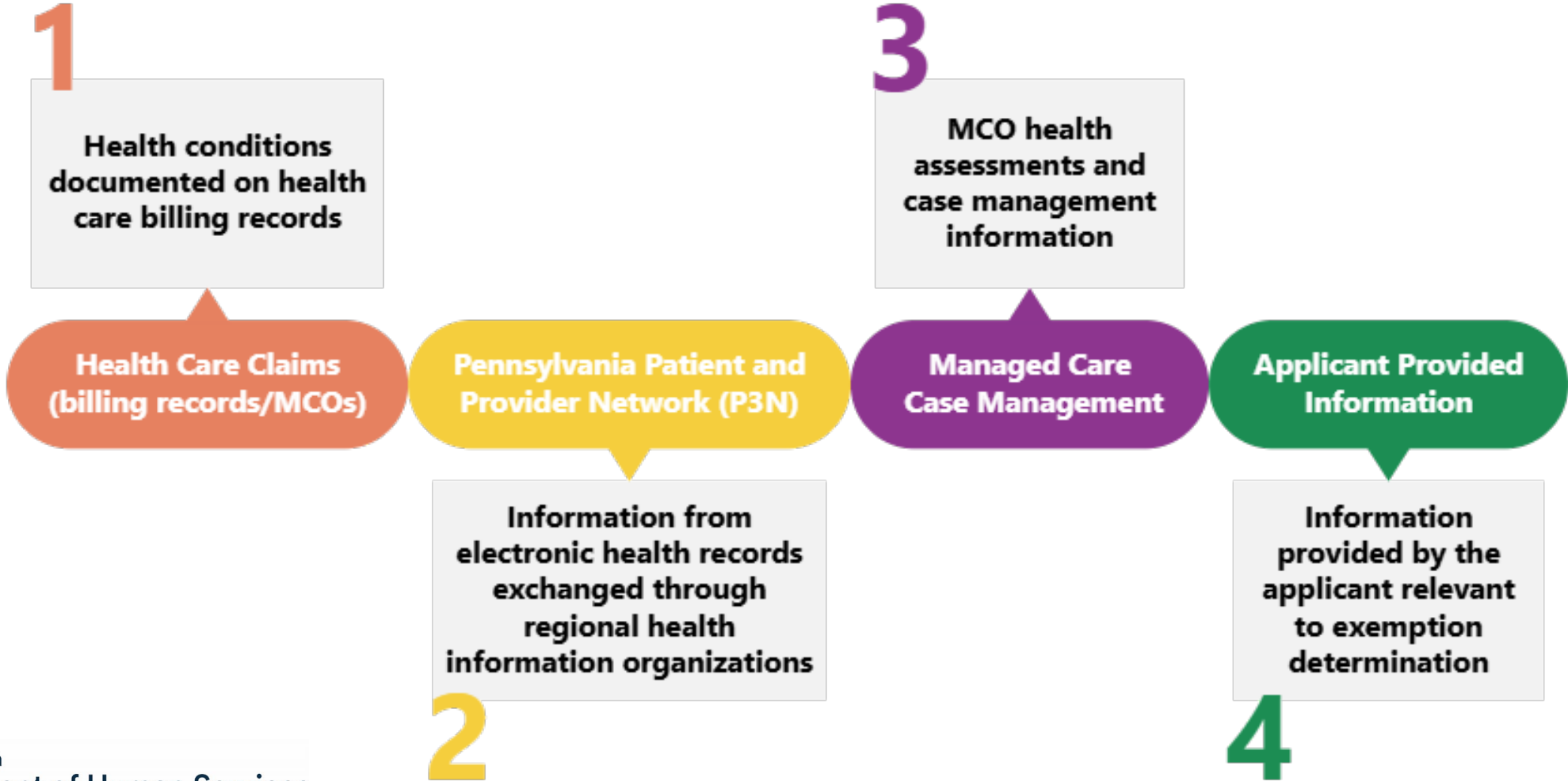
- More information available from Medicaid records to determine if medically frail
 - Past health care use and associated health care conditions
 - Other MCO records

At Application

- Less information available to determine if medically frail (i.e., no recent Medicaid records)
- Process may require more information from the applicant
- Exploring use of PA Patient and Provider Network (P3N) for new applicants



Use information from multiple sources



Health care claims

1

Health conditions
documented on health
care billing records

Health Care Claims
(billing records/MCOs)

- **Review past health care billing data** to determine medical conditions (recent and chronic)
- **Compare to a list of eligible medical conditions** that meet the medical frailty definition
 - Preliminary list built from the CMS Chronic Condition Warehouse and other sources and refined with clinical review
- **Anticipate permanent versus short-term** medical frailty
- **Timing is an important limitation of claims** - it can take several months from the time of clinical care for claims to be present which can limit ability to "see" recent health care events and diagnoses



Health information exchange (P3N)

Pennsylvania Patient and Provider Network (P3N)

Information from electronic health records exchanged through regional health information organizations

2

- **Draw on live clinical exchange** and statewide hospital admission and discharge notifications which provides more real time clinical information
- Identify **more recent health events and diagnoses** (e.g., recent ER visits and hospital admissions)
- **Supplements health care billing information** but is not a substitute (not all providers and health care visits are included and does not always go as far back in time)
- May contribute to process for new applicants



Additional information from MCOs

3

MCO health
assessments and
case management
information

Managed Care
Case Management

- Managed care organizations complete **health risk assessments at enrollment**
- Members with complex conditions are enrolled in **case management**
- **Seeking to collaborate with MCOs to identify health issues such as functional limitations** from health risk assessments and case management or other available clinical information



Applicant provided information

Applicant Provided Information

Information provided by the applicant relevant to exemption determination

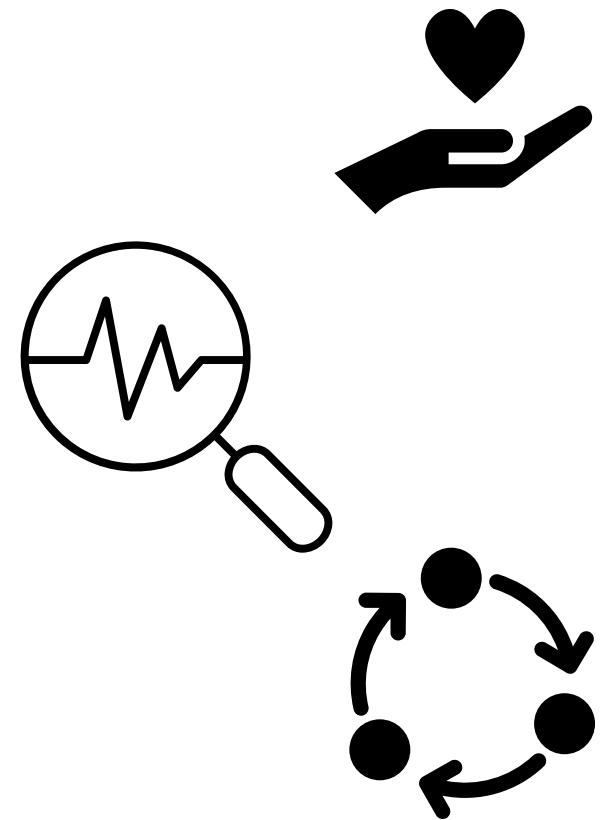
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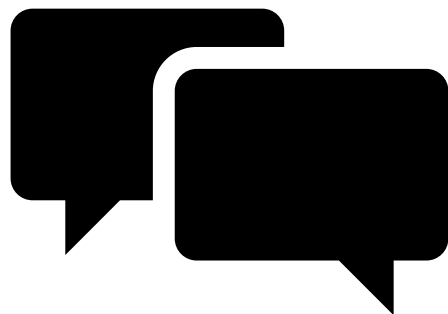
- Some individuals will have serious or complex medical conditions or other conditions that qualify for an exemption but are not identified in administrative records.
- **Client contact and client provided information will then be an important pathway.**
- Goal is to **maximize use of administrative information and minimize burden on the applicant.**



Summary

- Approach is designed to:
 - **reduce paperwork** burden
 - **streamline the process** and limit burden for beneficiaries
 - **maintain coverage** consistent with HR1
- **Focuses on leveraging data** to the extent possible to support beneficiaries
- **Approach implementation with a continuous improvement framework** utilizing rapid-cycle innovation methods to evaluate and improve our approach in year 1
- **Awaiting final CMS guidance**





Thank You!

