

**Subject** Establishing community engagement requirements for Medical Assistance

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## Overview

Medical Assistance (MA) is a means-tested, federal-state program that pays for preventive, acute, and basic health care services and long-term services and supports (LTSS) provided to low-income individuals. The general parameters for MA eligibility are set out in federal law and regulations.

Pub. Law 119-21 (referred to as HR1 or the One Big Beautiful Bill Act) made changes to federal law governing states' Medicaid programs, including establishing community engagement (CE) or work requirements for Medicaid enrollees who are adults without children.

H.F. 3763 establishes the federal CE requirements in state statutes and provides that tax return data and data gathered under the unemployment insurance program may be shared with the Department of Human Services for purposes of administering the CE requirements.

## Summary

Section	Description
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1	<b>Community engagement requirements.</b> Creates § 256B.0562. Establishes CE requirements for the MA program.
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**Subd. 1. Demonstrating community engagement.** Provides that, to be eligible for MA, adults without children must either comply with the CE requirements outlined in this section or qualify for an exception from the requirements. Identifies activities and hours of service that satisfy the CE requirements.

**Subd. 2. Exceptions.** Provides a list of exceptions to the CE requirements that an individual may be eligible for.

Section	Description
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**Subd. 3. Short-term hardship exception.** Directs the commissioner of human services to deem an individual as meeting the CE requirements in a month if the individual qualifies for one of the specified hardship exceptions.

**Subd. 4. Determining and verifying compliance.** Requires that the commissioner of human services use information obtained through periodic data matching and other electronic data sources to determine whether an individual is subject to, compliant with, or excepted from the CE requirements. Provides that the commissioner must not request additional information from an individual unless the commissioner cannot make a determination. Prohibits the commissioner from relying on managed care organizations (MCOs) or contractors with financial relationships with MCOs when making determinations about whether an individual is subject to, compliant with, or excepted from the CE requirements.

**Subd. 5. Failure to satisfy community engagement requirements.** Sets out the procedures the commissioner of human services must take when the commissioner cannot establish an individual's compliance with or exception from the CE requirements.

**Subd. 6. Outreach to applicable individuals.** Directs the commissioner of human services to notify, by October 1, 2026, MA enrollees who may be subject to the CE requirements about the requirements.

**Subd. 7. Additional requirements for the commissioner.** Directs the commissioner of human services to collaborate with county agencies to implement strategies to assist individuals subject to the CE requirements with resources that would help them prepare for work, maintain employment, or increase earnings.

2 **Use of data.**

Amends § 268.19, subd. 1. Provides that data gathered on an individual under the unemployment insurance program can be shared, without the consent of the individual, with the commissioner of human services for purposes of administering the MA community engagement requirements.

3 **Wage detail data.**

Amends § 268.19, subd. 1a. Allows the commissioner of employment and economic development to share wage and employment data gathered for purposes of the unemployment insurance program with the commissioner of human services for purposes of administering the MA community engagement requirements.

Section	Description
4	<b>Disclosure to commissioner of human services.</b> Amends § 270B.14, subd. 1. Allows the commissioner of revenue to disclose tax return information to the commissioner of human services for purposes of administering the MA community engagement requirements.



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