



February 12, 2026

Dr. Dev Sangvai  
Secretary, NC Department of Health and Human Services  
2001 Mail Service Center  
Raleigh, NC 27699-2000

Dear Dr. Sangvai:

As Chair and Vice-Chair of the NC Coalition on Aging, we am writing to you on behalf of the Coalition to share recommendations for implementing the Medicaid work requirements of the budget reconciliation act of 2025 (H.R. 1). The intent of these recommendations is to minimize harm and preserve continuous access to essential Medicaid services for older adults, including those not yet eligible for Medicare with disabilities and chronic health conditions, and their family caregivers.

The Coalition on Aging is a statewide 501(c)3 membership organization comprised of a diverse array of consumers, providers, and advocacy organizations/groups and interested individuals from across North Carolina with a connection/interest in aging. The Coalition is a strong and knowledgeable voice regarding the issues that affect older North Carolinians and their family caregivers, and it works to improve the quality of life for older adults through collective advocacy, education, and public policy work.

We are concerned that the H.R. 1 work requirements for Medicaid enrollees create administrative barriers that will lead to improper terminations and disrupted access to crucial healthcare. These burdens disproportionately impact older adults and people with disabilities who have a harder time finding work and maintaining employment due to functional limitations, changing work or caregiving responsibilities, and fluctuating health. For example, an April report ([Leading Age LTSS Center](#)) found the vast majority of adults ages 50-64 enrolled in Medicaid expansion who are retired or not working (86%) report having a health condition that prevents them from working. Although the statutorily required exemptions for people who are “medically frail” and for family caregivers are intended to protect these populations, in practice such exemptions frequently fail to reach or work for the people they were meant to protect in part due to

complex paperwork, narrow interpretations, and reliance on automated data checks that fail to fully capture people who are eligible.

We are sharing recommendations and additional considerations to help ensure that exemptions are implemented in a way that prevents and minimizes disruptions in coverage and access to care for older adults, people with disabilities, and family caregivers affected by work requirements.

**Automatically exclude people with Medicare and people eligible through the aged and disabled pathways from work requirements.**

We urge the state to ensure that individuals who are categorically excluded from work requirements under the law will be automatically and permanently exempted, including people age 65 and older, people dually enrolled in Medicare and Medicaid, and people of any age eligible through disability and other mandatory pathways. Utilize existing data to identify these current enrollees without subjecting them to additional paperwork and ensure eligibility systems are set to automatically screen out new applicants.

**Do not impose additional restrictions on exemptions not required by the statute.**

Determine eligibility for the medically frail and family caregiver exemptions based on an individual's reported medical conditions, diagnoses, functional impairments, or caregiving responsibilities, and do not require proof of unemployment or inability to work. Many people who qualify as medically frail or family caregivers may also be employed. Ensuring the exemption is in place will help protect them from coverage loss should their employment status change, which is particularly common for people with disabilities, serious or complex health conditions, and caregiving responsibilities.

Under the medically frail exemption, the statute requires the state to exempt many categories of individuals well beyond Social Security disability standards, including people with a physical, intellectual or developmental disability that significantly impairs one or more activities of daily living, a substance use disorder, a disabling mental disorder, or a serious or complex medical condition. Therefore, it is important that North Carolina not limit the medically frail exemption to Social Security disability or similarly strict standards and ensure eligibility criteria are inclusive of people described in the statute.

H.R. 1 uses the RAISE Family Caregivers Act definition to define caregivers as “an adult family member or other individual who has a significant relationship with, and who provides a broad range of assistance to, an individual with a chronic or other health condition, disability, or functional limitation.” Based on the RAISE definition, all such family caregivers, including caregivers for older adults and others who may not identify

as disabled, should be exempted. We urge the state to not impose restrictions like requiring the person being cared for to have a diagnosed disability or be a dependent of or related to the caregiver as well as requiring the caregiver to provide a minimum number of weekly or monthly caregiving hours.

### **Utilize screening questions and ex parte verification to minimize administrative burden and procedural churn.**

To reduce administrative barriers for both Medicaid enrollees and the state, screening questions based on an applicant's declaration should be accepted as verification for medically frail and caregiver exemptions as the statute permits.

We also urge the state to reduce administrative burden by automatically renewing exemptions, including those based on disability, functional impairment, or a chronic condition that is unlikely to change over time. Similarly, the caregiver exemption should be automatically renewed for as long as the caregiving relationship lasts.

H.R. 1 requires states to use an ex parte process to verify exemption eligibility and avoid requesting individuals to provide additional information whenever possible. We urge the state to maximize such data-driven verification by linking and cross-checking existing state sources to identify people who qualify for the medically frail exemption, such as disability and aging services data. Similarly, the state may be able to use existing data to exempt some caregivers, such as those being paid under Medicaid Home and Community- Based Services (HCBS) programs. Ex parte data that confirms an individual meets a statutory exemption could be applied automatically without requiring the applicant or enrollee to provide additional documentation confirming their exemption status. Importantly, even when maximizing these data sources, we recommend that the state accept declaration since most family caregivers are not identified in existing data sources and many people who qualify for the medically frail exemption cannot easily document their condition, especially without Medicaid.

### **Ensure accessibility, due process, and operational safeguards.**

Given the extensive and confusing nature of these work requirements, it is essential for the state to provide clear and accessible information to applicants and enrollees. This includes plain-language, accessible notices in multiple formats and languages explaining the reporting requirements, exemptions, and information about requesting accommodations. It is especially important that the state test applications and any technology and include older adults among the testers.

The new work requirements will likely result in many Medicaid beneficiaries and those who apply for Medicaid having questions as well as confusion about the changes.

Therefore, it is important that there are accessible options for reaching trained and knowledgeable staff that can answer questions, provide information, and assist with completing forms and other support tasks. In addition, ensuring that people have information about the right to appeal adverse decisions is very important.

## **Conclusion**

We recognize the challenges that the state has in implementing the work requirement, particularly in such a short timeframe. We appreciate your consideration of the recommendations we have made, and welcome the opportunity to work with you as efforts move forward to ensure smooth implementation, reduce unnecessary administrative burdens, and maintain continuity of care for older North Carolinians and their family caregivers.

Sincerely,

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