PREPARING FOR H.R. 1

Protecting vulnerable populations and revenue through coordinated IT and data-driven operational planning

MediSys Health Network + The Transformation Group+

HFMA New Jersey & Metro Philadelphia Annual Conference

Today's Discussion

From regulatory change to durable operational readiness

1. **H.R. 1: What Is Changing and Why It Matters**
2. **The MediSys Perspective**
3. **From Policy to Operational Readiness**
4. **Using Data and Technology to Take Action**
5. **Preparing for What Comes Next**

The H.R. 1 Changes That Drive Operational Risk

Each policy change creates a patient, workflow, and revenue-cycle consequence

Six-month renewals

More frequent eligibility reviews for certain adults increase notice, documentation, and follow-up volume.

Community engagement

Certain adults must demonstrate qualifying work, education, training, volunteering, income, or an exemption.

Exemption documentation

Clinical and other exemption indicators must be identified, supported, and managed before deadlines.

Shorter retroactive coverage

Medicaid has 45-90 days to process an application, but will now only cover medical costs 30-60 days in the past.

State Methodology Updates

Providers and healthcare networks will have to monitor updates from the state for requirements which will need to be applied to each individual patient's situation.

Greater administrative burden

States, providers, payers, and patients face more handoffs, data needs, and opportunities for procedural loss.

The operational response:

identify → document → outreach → support → monitor

Why the Risk Is Larger Than Eligibility Alone

Eligible patients can still lose coverage when the process breaks down



Data readiness

New sources and definitions must be operationalized.

Patient notices

Messages must reach patients in time.

Documentation

Evidence must be available and defensible.

Outreach

Teams need prioritized, trackable action.

Workflow ownership

Every case needs a next owner and status.

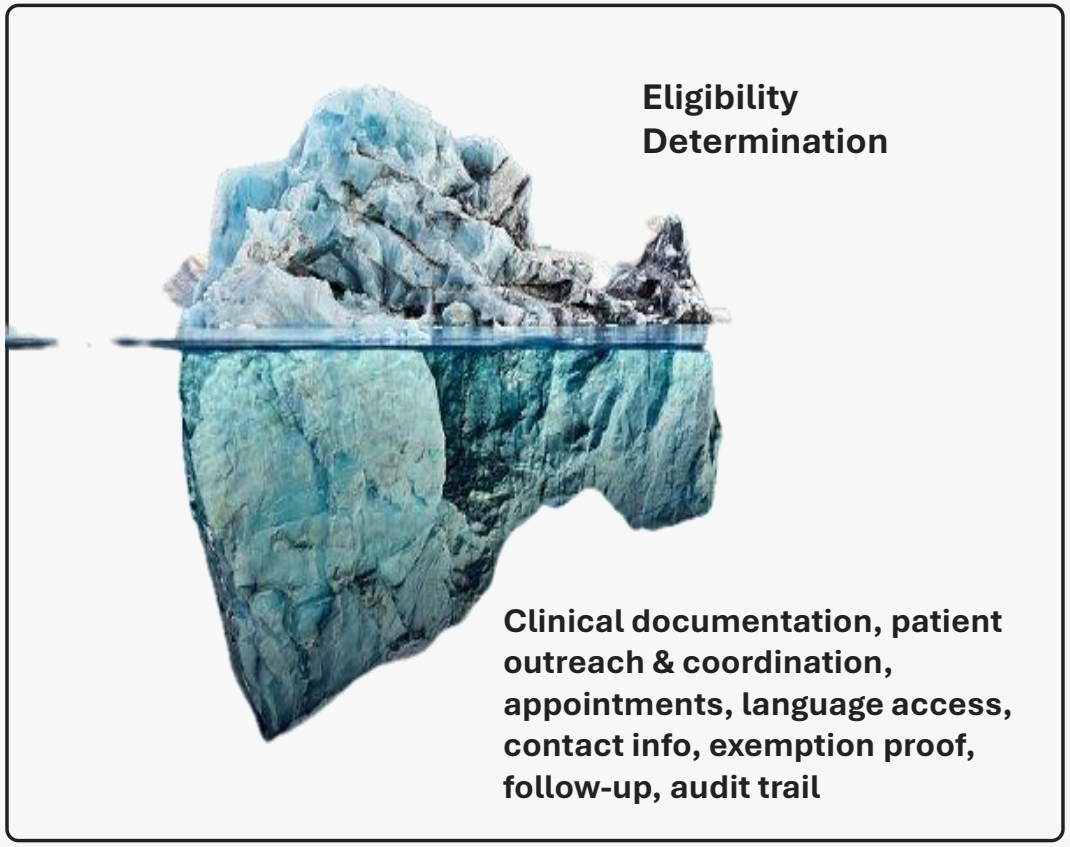
State capacity

Compressed timelines can create downstream provider burden.

Coverage risk grows at every handoff between policy, data, patients, and operations.

The Hidden Risk: Eligible Patients Can Still Lose Coverage

The biggest risk is not only who is legally eligible, but who can complete the process in time.



Coverage loss can be preventable

A patient may meet requirements or qualify for an exemption but still lose coverage because of timing, documentation, red tape, or missed communications.

Operations need a single view

Teams need to know renewal date, risk status, exemption indicators, upcoming appointments, outreach history, and next action.

The answer is workflow, not just reporting

Risk identification has to connect directly to prioritized outreach, team assignment, and leadership monitoring.

Different Organizations Feel the Same Risk Differently

Hospitals, FQHCs, and payers each need a tailored operational model.

Hospitals and health systems

Revenue exposure from Medicaid-covered encounters; complex care populations; need for RCM, registration, care management, social work, and IT alignment.

FQHCs and community clinics

High Medicaid concentration; patient trust and outreach infrastructure; need to keep patients connected to primary care, behavioral health, and enabling services.

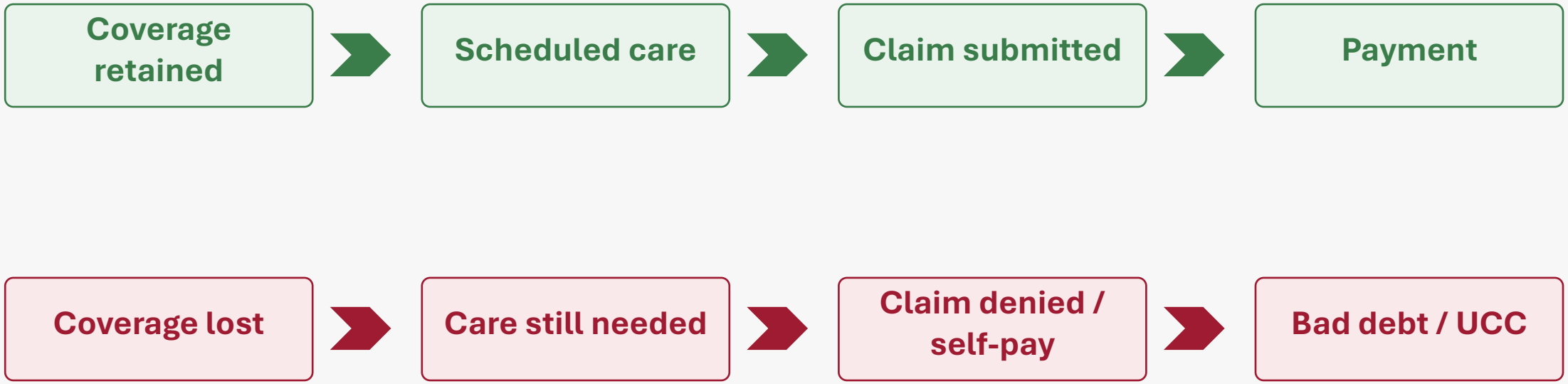
Payers and MCOs

Membership churn, premium continuity, claims lag, limited clinical context, and need for coordinated member retention with provider partners.

	Hospital	FQHC	Payer
Risk	Revenue loss from coverage gaps and uncompensated care	Patient attrition and reduced visit volume	Membership decline and retroactive premium risk
Data needed	Eligibility status, renewal dates, registration and claims data	Eligibility status, visit history, outreach and enrollment data	Enrollment files, eligibility feeds, and claims data
Workflow owner	Patient access / revenue cycle team	Care coordination / enrollment team	Member services / retention team
Success measure	Reduced denials and bad debt	Sustained visit volume and continuity of care	Retained membership and reduced churn

Financial Impact: Where H.R. 1 Shows Up in Revenue Cycle

Coverage instability moves quickly from patient access risk to claim, denial, bad debt, and uncompensated care risk.



Leadership question

Can we quantify where coverage loss risk exists by location, service line, patient category, renewal timing, and revenue exposure?

A Practical H.R. 1 Readiness Framework

Attendees should be able to use this regardless of whether they are a hospital, FQHC, or payer.

Regulatory intelligence

Track federal and state guidance; convert policy into rules, workflows, and reporting needs.

Risk identification

Map the Medicaid population and identify renewal urgency, exemption indicators, and financial exposure.

Operational workflows

Assign outreach, documentation, appointments, member/patient education, and escalation in a repeatable workflow.

Executive monitoring

Track outcomes, risk, workload, financial exposure, and unresolved exceptions at leadership level.

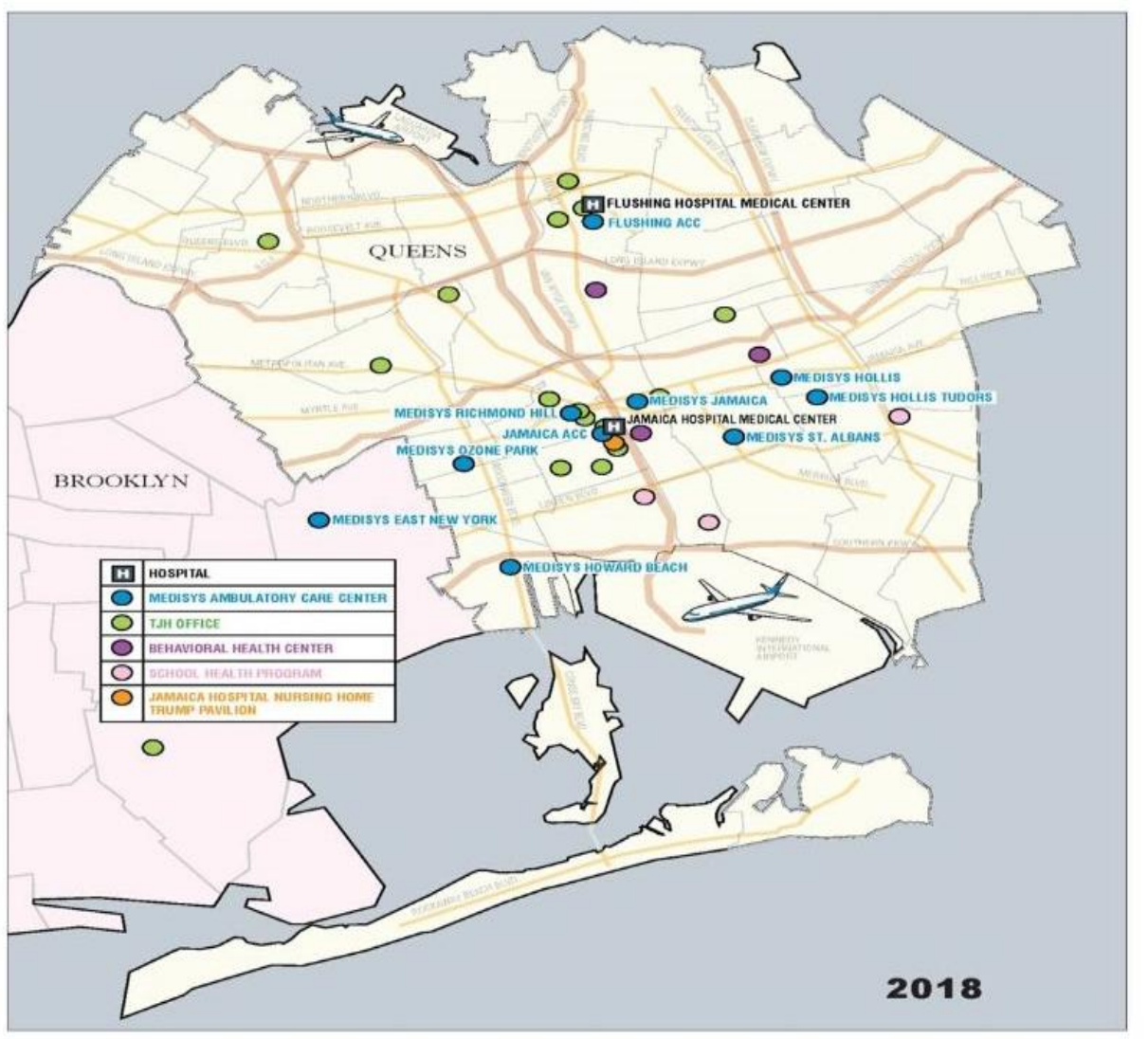


MediSys Health Network

A safety-net health system serving diverse communities across Queens, NY

- 2 Hospitals, 10 Community- Based Health Centers, 1 Nursing Home
- 190,000 Fully Capitated Lives – Mostly in Medicaid
- Busiest Level 1 Trauma Center in NYC
- 165,000 ED Visits
- 4,000 Newborn Deliveries
- 6,500 Employees

- ***Serving the Underserved***
  - 60% Medicaid
  - 20% Medicare
  - 5% Uninsured
  - 15% Commercial

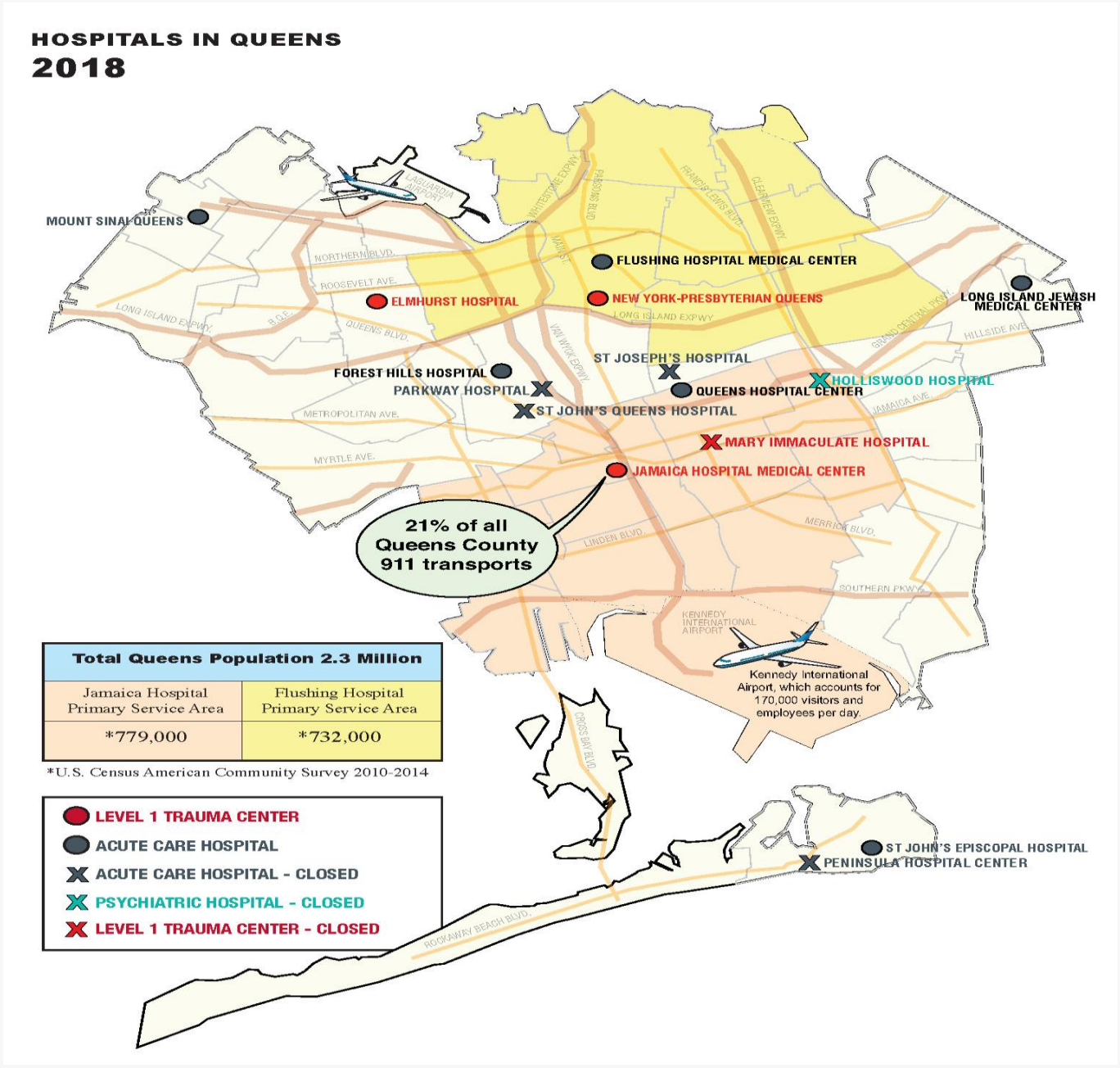


Hospitals in Queens, NY

MediSys facilities within the Queens hospital market

JAMAICA HOSPITAL MEDICAL CENTER

FLUSHING HOSPITAL MEDICAL CENTER



Hospital Market

Queens County

Queens County

- Most culturally diverse county of the 3,000 counties in United States
- Over 135 spoken languages



The MediSys Operating Environment

The organization’s role and resource reality shape the response

UNIQUE CHALLENGES

- SAFETY NET HEALTH SYSTEM
- LIMITED RESOURCES
- SOCIAL DETERMINANTS OF HEALTH
- DYNAMIC HEALTHCARE LANDSCAPE

Transformation

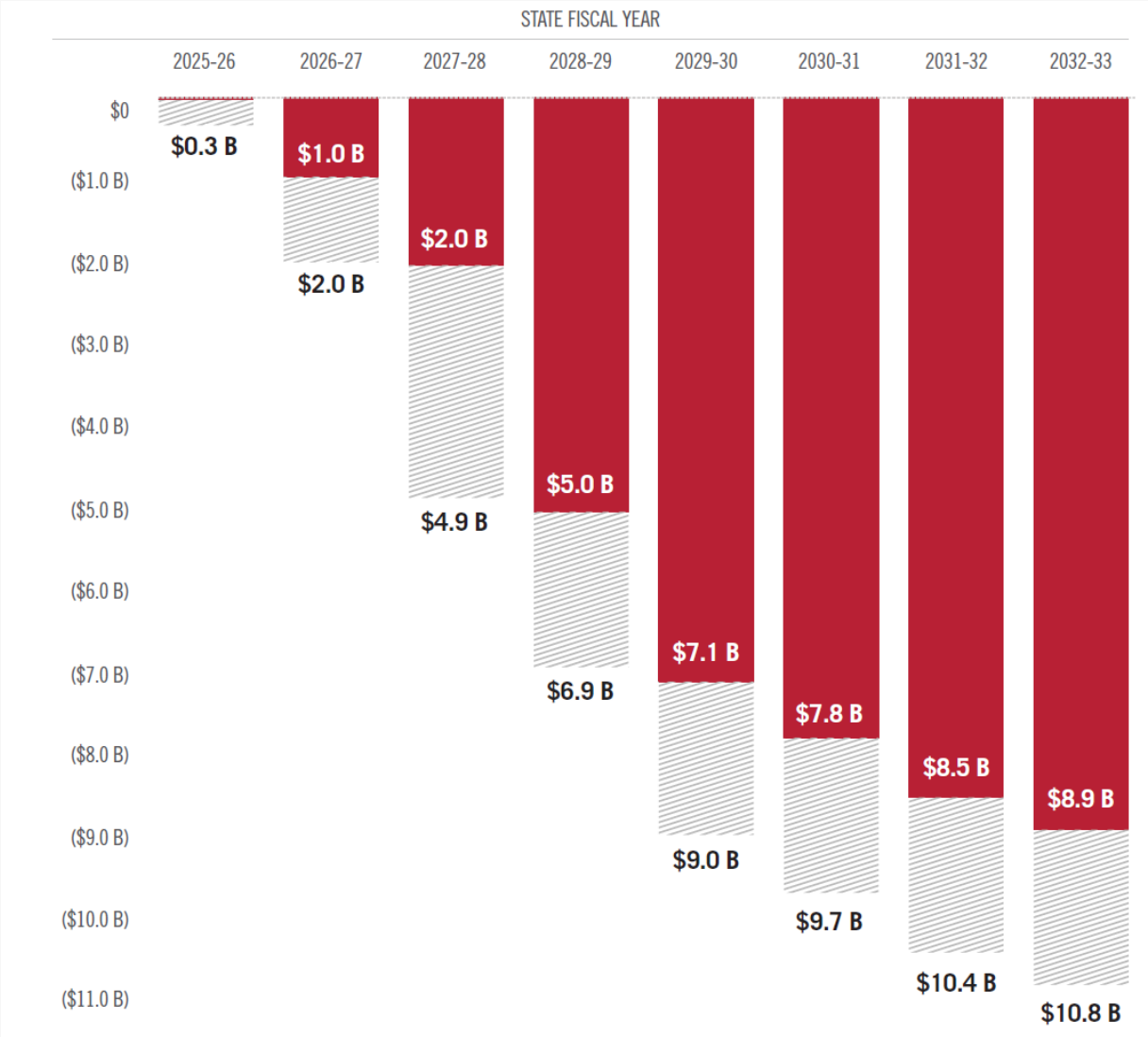
Moving from volume-centered care to integrated, patient-centered value

Quantity	→	**Quality**
Inpatient	→	**Outpatient**
Therapeutic Care	→	**Preventative Care**
Fragmented Care	→	**Integrated Care**
Sickness	→	**Wellness**
Provider Focused	→	**Patient Focused**
Fee For Service	→	**Value Based Payment**

New York State Hospital and Health System Exposure Under H.R. 1

- At full implementation, H.R. 1's health insurance coverage, policy and payment changes are projected to reduce hospital funding by $8 billion to $10 billion annually, with a total reduction of approximately $40 billion to $50 billion over the eight-year analysis period.
- Funding risks begin to ramp up in state fiscal year 2026-27, with increasing impacts thereafter driven primarily by Medicaid financing changes and new uncompensated care costs as hospitals absorb the impact of individuals losing Medicaid coverage due to mandated work requirements.
- These risks escalate significantly in SFY 2029-30 when major changes to the state's Essential Plan, provider tax policy and State Directed Payment program take effect.

Estimated statewide hospital funding exposure



Source information and methodology preserved from the original slide.

Executive Summary

The One Big Beautiful Bill Act (H.R. 1) poses significant financial risks to safety net hospitals given their high-Medicaid payer mix and extensive participation in Medicaid funded programs. Select provisions related to work requirements, state directed payments, and the Essential Plan, are expected to have significant implications for MediSys Health Network.

Provision	Effective Date	Impact to MediSys Health Network
Work Reporting Requirements	Jan. 1, 2027	• Medicaid work reporting requirements for the expansion population are expected to drive coverage losses, resulting in an estimated 10% annual decline in Medicaid revenue for MediSys compared to revenue absent H.R. 1.
State Directed Payment (SDP) Reductions	April 1, 2028*	• H.R. 1 caps new SDPs at 100% of Medicare and requires gradual reductions to existing SDPs beginning in 2028. For MediSys, this results in an estimated 67% decline in SDP revenue by 2034, compared to SDP revenue absent H.R. 1.
Essential Plan (EP) Changes	Jan. 1, 2026	• Eligibility changes affecting individuals in the 200 – 250% FPL tier are projected to result in an 18% annual reduction in EP revenue for MediSys compared to revenue absent H.R. 1.

**Rate directed payment reductions are effective January 1, 2028; modeled EP impacts begin in 2029 in alignment with the New York State fiscal year.*

Projected Impact of H.R. 1 Work Reporting Requirements

Projected Medicaid payment impact to MediSys

H.R. 1 imposes work reporting requirements on the Medicaid expansion population. These changes are expected to drive major coverage losses and reduce hospital payments for Medicaid. Once implemented in 2027, this results in an annual 10% decrease in Medicaid revenue compared to estimated revenue absent H.R. 1.

Estimated Reduction in Medicaid Payments to MediSys Due to Work Reporting Requirements Under H.R. 1, SFY 2026–2034

New York State Rate / Fiscal Year (April 1 – March 31)	2026	2027	2028	2029	2030	2031	2032	2033	2034	2026–2034
MediSys Medicaid Payments Absent H.R. 1 (with projected inflation)*	$473	$487	$501	$516	$531	$546	$562	$578	$595	$4,789
Projected Reduction in Medicaid Payments from Work Requirements**	$ –	($31)	($50)	($50)	($51)	($53)	($55)	($57)	($59)	($406)
Medicaid Payments Under H.R. 1's work requirements	$473	$456	$451	$466	$479	$493	$507	$521	$536	$4,383
% Change from Medicaid Payment Baseline	0%	-6%	-10%	-10%	-10%	-10%	-10%	-10%	-10%	-8%

Sources: 2025 MediSys Medicaid payment data; Manatt Medicaid Financing Model. Effective Date: Jan. 1, 2027; figures reflect the New York State Fiscal Year (April 1 – March 31).

*Includes Medicaid Managed Care and Fee-for-Service base, state directed payments, upper payment limit payments, and Disproportionate Share Hospital Indigent Care Pool Payments. An annual inflation factor of 2.9% has been applied to all Medicaid payments through 2034. **Reduction factors developed based on state implementation experiences; model assumes work reporting requirements will reduce expansion enrollment by roughly 30%.

The MediSys Perspective

Turning regulatory uncertainty into a structured readiness program

Population & financial exposure

Understand the Medicaid population, payer mix, capitation arrangements, renewal timing, and the revenue connected to coverage continuity.

Patient-level uncertainty

Determine which patients may be at risk, what requirements may apply, and what support or documentation they may need.

Operational uncertainty

Translate evolving requirements into clear roles, workflows, payer coordination, and measurable action.

Starting question: How do we quantify the risk before it becomes a patient-access or claim problem?

Using IT and Data to Move From Awareness to Action

A shared operating layer connects regulatory intelligence, population risk, and frontline work



The Transformation Group+ and mediXcore

Built to help resource-constrained healthcare organizations apply shared regulatory, data, and workflow capabilities without having to develop a custom solution entirely in-house.

Introducing mediXcore

A cloud-based eligibility intelligence platform for Medicaid risk visibility and action.

What it does

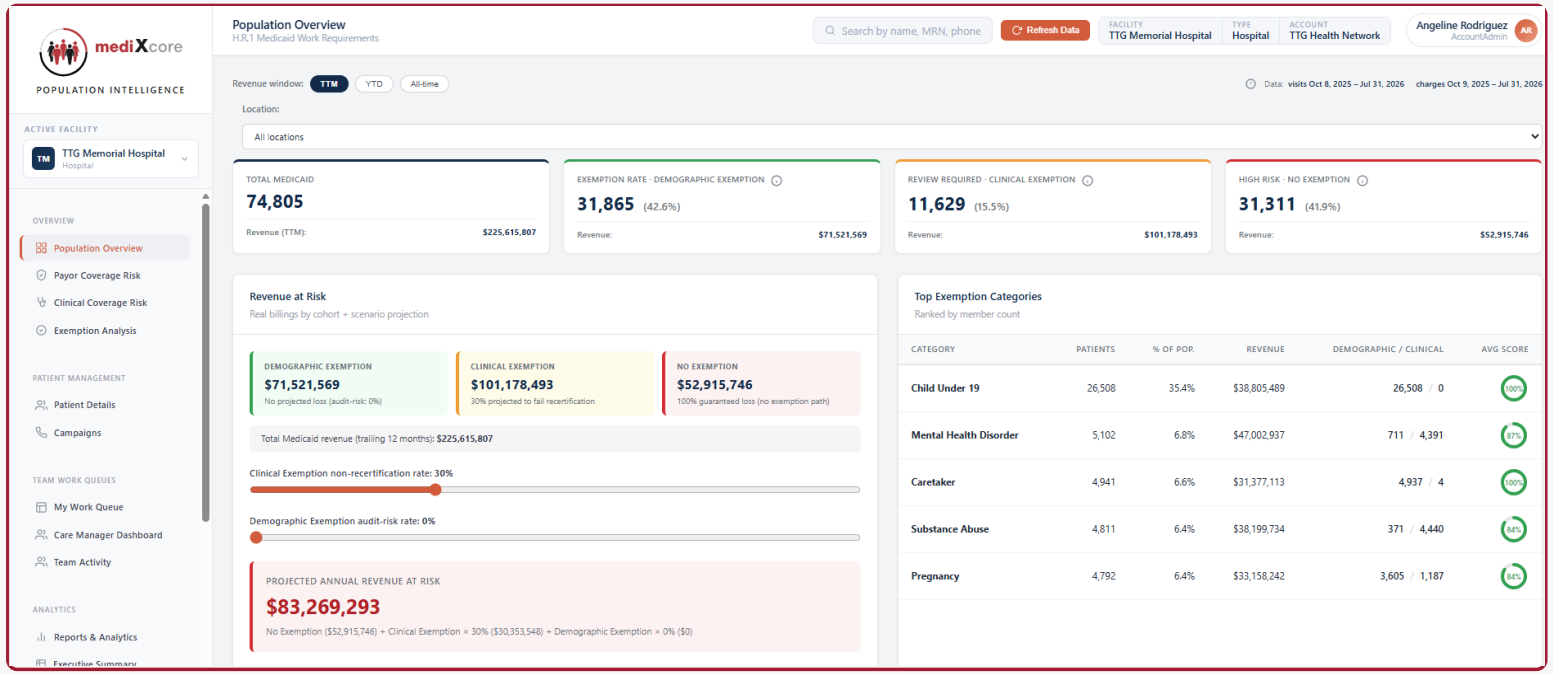
Provides a unified, real-time view of Medicaid eligibility risk, redetermination timing, exemption indicators, patient/member workflows, and financial exposure.

Who it supports

Hospitals, health systems, FQHCs, clinics, ACO-like arrangements, and payers that need to identify, prioritize, and act on Medicaid coverage risk.

Why it matters

Turns H.R. 1 preparation from manual tracking into a repeatable operating model for executives, managers, care teams, navigators, and payer partners.



mediXcore

Medicaid eligibility intelligence for risk visibility and action

Unified view

Eligibility risk, renewal timing, exemptions, and financial exposure

Actionable workflows

Patient-level work queues, outreach, assignment, and tracking

Flexible integration

Cloud-based and EHR-agnostic, using available clinical, eligibility, claims, and payer data

Regulatory agility

Logic and workflows designed to evolve as federal and state requirements change

Visibility is valuable only when it leads to timely action.

How mediXcore Supports the Operating Model

From data inputs to risk intelligence to coordinated intervention



Operational Adoption Is the Real Implementation

Technology can move quickly; sustainable change requires people, ownership, and practice

1. **Socialize** — Explain what is changing and why current tools and workflows may leave gaps.
2. **Design** — Define owners, handoffs, outreach, documentation, and escalation by patient cohort.
3. **Configure** — Connect data, rules, queues, integrations, roles, and reporting to the operating model.
4. **Practice** — Pilot the workflow, measure completion, identify bottlenecks, and refine.
5. **Govern** — Monitor regulatory updates, outcomes, workload, and unresolved risk.

Readiness in Motion

Build the foundation now, then refine as regulation and operations evolve

Operational workflows

Define and optimize patient cohorts, outreach, ownership, escalation, and closure.

Payer engagement

Coordinate data, timing, messaging, and member or patient support where possible.

Patient education

Begin preparing clear, trusted touchpoints before renewal pressure increases.

Continuous feedback

Use frontline experience to improve rules, features, reports, and training.

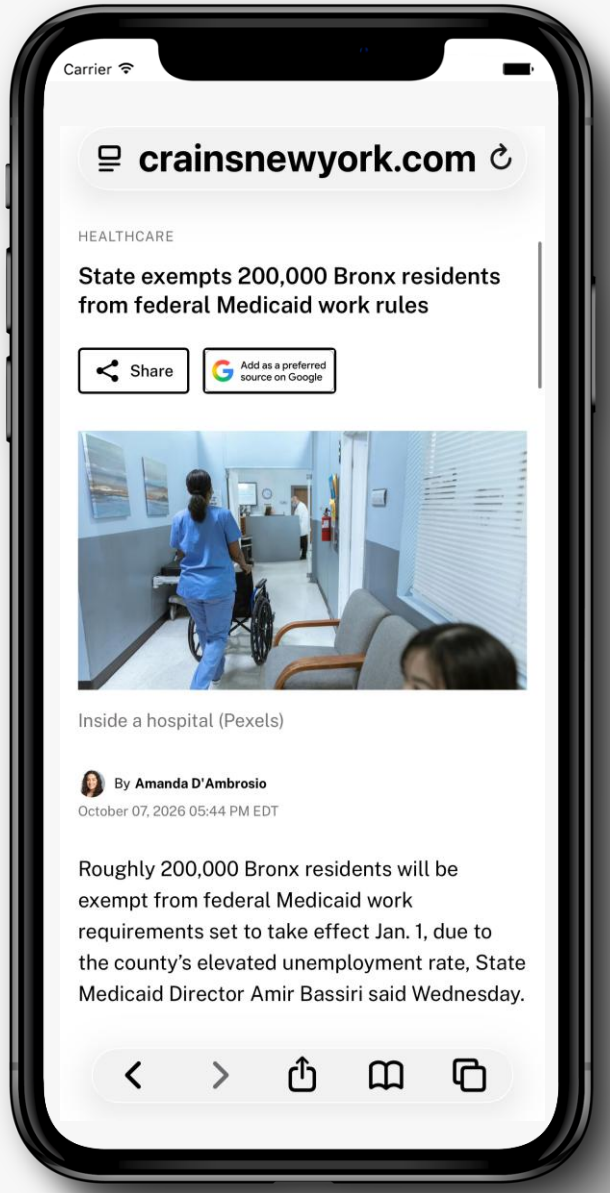
Prepare for multiple regulatory outcomes without starting from ground zero

Flexible Model at Work

State guidance to respond to and adopt quickly.

Short Term Hardship Exemptions

- Receiving inpatient hospital care or in an intermediate care facility
- Living in a county impacted by declared emergency or disaster
- Living in a county with high unemployment rate
- Traveling for an extended period to access necessary medical care



What Organizations Should Do Now

A practical readiness framework for the next phase

01

START EARLY

Assign a person or partner to monitor requirements and translate updates into decisions.

02

KNOW THE RISK

Map the Medicaid population, renewal timing, potential exemptions, and financial exposure.

03

NAME THE OWNERS

Align RCM, IT, operations, finance, care management, payer relations, and patient support.

04

BUILD THE WORKFLOW

Define outreach, documentation, appointment-based intervention, escalation, and closure.

05

PRACTICE NOW

Pilot queues and scripts, measure completion, identify gaps, and refine before full implementation.

Possible patient-support roles: **navigator • enrollment or eligibility specialist • financial counselor • benefits counselor**

Thank You

Questions & Discussion

David Evangelista
Assistant Vice President of Managed Care

MediSys Health Network

Vicky Kontogiannis, CPC
Informatics Revenue Cycle Director

MediSys Health Network

Preparing today protects patient continuity and financial stability tomorrow.