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BCBSMA Foundation Report Estimates Major Medicaid Coverage Losses from "Big Beautiful Bill"

As Many As 203,000 MassHealth Members Would Lose Coverage Through Six-Month Redetermination and Work Requirements

BOSTON (Sept. 3, 2025) – The Blue Cross Blue Shield of Massachusetts Foundation today released a new report, in partnership with the Urban Institute, which uses state-specific data and finds that two provisions in the recently enacted federal law H.R. 1 could result in 141,000 to 203,000 Massachusetts residents losing health insurance coverage through MassHealth, the state's Medicaid program. Taken together, the provisions in this law requiring six-month redeterminations and work requirements could lead to a more than 50 percent increase in the state's uninsured population.

H.R. 1, a federal budget reconciliation package known as the "One Big Beautiful Bill Act," was enacted in July and makes several major changes to Medicaid. This report looks specifically at two provisions that go into effect at the end of 2026: first, that states must "redetermine" eligibility for certain members every six months instead of annually; and second, that certain adults must document at least 80 hours per month of work or qualifying activities, such as a work program, community service or part-time education, to remain covered.

A redetermination often requires members to provide extensive information and documentation to demonstrate they are still eligible for Medicaid. The redetermination process is important to ensure that members continue to meet the eligibility requirements for the MassHealth program. However, individuals often lose coverage due to incomplete or late paperwork, or because they are missing a needed verification, not because they are no longer eligible. Similarly, in states that have adopted work requirements, many have been disenrolled for not providing the right documentation, even when they were otherwise compliant or exempt. In these instances, even when people are able to re-enroll, the gaps in coverage contribute to poorer health that can require costlier medical interventions.

"H.R.1, and specifically these two provisions, are a giant step backward and will do real harm to Massachusetts individuals and families," said Audrey Shelto, President and CEO of the Blue Cross Blue Shield of Massachusetts Foundation. "Over the past 20 years, Massachusetts has made tremendous strides in getting more eligible residents enrolled in health insurance, in partnership with the federal government, through the expansion of the Medicaid program. The changes in H.R. 1 add unnecessary administrative barriers to the already complicated process for getting and keeping coverage, especially when we know that most MassHealth members are already in working families."

These provisions, and therefore this analysis, focuses on the Medicaid expansion population in Massachusetts – adults under age 65 who are covered through the MassHealth CarePlus program as a result of the Affordable Care Act. However, this analysis does not estimate coverage losses from all the other Medicaid or Marketplace changes in H.R. 1, which will further increase the number of people losing coverage, as well as decrease the amount of federal revenue coming into Massachusetts.

The report presents ranges to capture how coverage impacts could vary depending on state implementation of the changes, including factors such as the quality of the data used and the effectiveness of community-based education and outreach around work requirements. It finds that with implementation of the six-month redetermination and work reporting requirements:

- Over the course of the year, an estimated 141,000 to 203,000 MassHealth members could lose coverage and the vast majority would become uninsured;

- In an average month, 85,000 to 147,000 more people under 65 would be uninsured, causing the number of uninsured people in Massachusetts to grow from 227,000 to between 312,000 and 374,000, (a 37%-65% increase); and

- The loss of coverage would result, in large part, because of procedural, documentation or administrative issues rather than actual ineligibility.

The report, titled *Six-Month Redetermination and Work Requirements: Impacts on Health Coverage in Massachusetts* is available online at the following link: https://www.bluecrossmafoundation.org/publication/six-month-redetermination-and-work-requirements-impacts-health-coverage-massachusetts

About the Blue Cross Blue Shield of Massachusetts Foundation

The mission of the Blue Cross Blue Shield of Massachusetts Foundation is to ensure equitable access to health care for all those in the Commonwealth who are economically, racially,

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culturally or socially marginalized. The Foundation was established in 2001 with an endowment from Blue Cross Blue Shield of Massachusetts. It operates separately from the company and is governed by its own Board of Directors. For more information, visit www.bluecrossmafoundation.org.

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