

Federal Medicaid Work Requirement FAQs

July 2026

Overview

What is the new federal Medicaid work requirement?

A new federal law requires certain adults to meet or be exempt from the work requirement to qualify for Medicaid. To meet the requirement a person must:

- Work, volunteer, and/or participate in a work training/education program for at least 80 hours a month;
- Be enrolled in an education program at least half time; or
- Have qualifying household income of at least \$580 per month.

These same adults will also have their coverage reviewed every 6 months, instead of every 12 months. Both changes will be phased in beginning in **January 2027**.

Who must meet the new federal work requirement?

This new requirement applies only to members enrolled in Virginia's Medicaid Expansion.

Medicaid Expansion covers adults who are between 19 and 64, have income under 138% of the federal poverty level (FPL), and are not eligible for Medicare. Medicaid Expansion covers about 550,000 Virginians.

Important: The new work requirement **DOES NOT** apply to other types of Medicaid, such as coverage for children, pregnant or postpartum individuals, or adults with a disability or who are age 65 or above.

How will someone know if they are enrolled in Medicaid Expansion?

Medicaid Expansion members will be sent a notice by the end of **September 2026** telling them about the new requirement, how to meet it, and available exemptions. This information will also be included on approval notices sent to individuals enrolled in Medicaid Expansion beginning in January 2027.

Members can also call Cover Virginia at 855-242-8282, chat with a live agent at coverva.dmas.virginia.gov, or contact their local Department of Social Services, to find out if they are enrolled in Medicaid Expansion.

When will the new Medicaid work requirement begin?

New applicants who apply on or after January 1, 2027, and who appear eligible for Medicaid Expansion, will need to meet or be exempt from the work requirement to be eligible for Medicaid Expansion.

Current members will need to meet or be exempt from the requirement beginning with their **first renewal** in 2027. The new rule will not be used to redetermine eligibility for renewals that are started in 2026.

Exemptions from the New Federal Work Requirement

Who will be exempt from the new work requirement?

Medicaid Expansion members will not have to complete 80 hours of approved activities if they meet an 'exclusion' or an 'exception':

Exclusions:

An individual is excluded from the work requirement if they meet one of the exclusions listed below. The exclusion must be met for at least one day in the month that they apply or, if a current member, in the month that their renewal is processed.

- Pregnancy, or being within 12 months of the end of a pregnancy
- Being a former foster care youth who is 25 or younger
- Being a parent, guardian, caretaker relative, or family caregiver of a dependent child age 13 or younger, or of a person of any age who has a disability (as defined in the Americans with Disabilities Act)
- Meeting TANF or SNAP work requirements
- Having a 100% disability rating from the U.S. Department of Veterans Affairs
- Being an American Indian or Alaska Native
- Participation in a SUD treatment program
- Incarceration
- Having a serious medical condition, serious mental health condition, substance use disorder, or disability

Exceptions:

A Medicaid Expansion member can also be exempt from the work requirements if they meet one of the exceptions below in the month before the month they apply (for a new applicant). A current Medicaid Expansion member can be exempt if any of the following apply during **any one month** since their last renewal:

- Being under age 19
- Being enrolled in certain other types of Medicaid coverage (children's coverage, pregnancy coverage, coverage for SSI recipients)
- Meeting a specified exclusion (during the review period, but not in the month that the

application is submitted or renewal is processed)

- Having been incarcerated in the past 3 months
- Living in a locality with an unemployment rate that is at least 8% or is 1.5x the national unemployment rate
- Living in a locality under federal emergency or disaster declaration,
- Receiving inpatient hospital care, or nursing facility care, or institutional care (including psychiatric), or care of similar acuity level (Note: this exception must be requested by the applicant.)
- Having to travel to get medical care, for self or a dependent, for a serious or complex medical condition, because that care is not available in the community (Note: this exception must be requested by the applicant.)

Virginia Medicaid will first use information from the member's application, case record and other information available to the state to see if a Medicaid Expansion member meets an exclusion or exception. Starting in 2028, the state may request additional documentation to confirm that the member or applicant meets certain exclusions or exceptions.

Federal Work Requirement Compliance Activities

How can I fulfill the Medicaid work requirement if I am not exempt?

The new requirement can be fulfilled in a few different ways. Individuals can:

- Work, participate in a work program, attend school, and/or volunteer for at least 80 hours during a month in their review period. Work can include both in-kind and unpaid work, such as receiving free or reduced-cost housing as compensation for work and unpaid internships.
- Be enrolled in school (including high school, GED program, higher education, career, and technical education) at least half time, as defined by their school/institution.
- Have monthly income of \$580 per month. (For a seasonal worker, the average income over the prior 6 months must be equal or higher than \$580.)

New applicants must have met the requirement in the month before the month they apply.

Example: James applies for coverage in February 2027. Virginia Medicaid will assess whether he is exempt or compliant with the requirement in January 2027.

Existing members must have met the requirement for **at least one month** since their most recent eligibility renewal.

Example: Ellen's first renewal in 2027 is in March. She is enrolled in Medicaid Expansion does not meet an exclusion or exception. She will have to have met the work requirement in **at least one** month since her last renewal. If renewed, she will be enrolled in a new 6-month period of coverage, from April 1, 2027 to September 30, 2027. At her next renewal, her review period she will have to have met the work requirement in any one month between April and September to remain enrolled.

What types of work can be counted?

Paid work, self-employment, contract work, in-kind work and unpaid work can all be used to meet the work requirement. In-kind work means the person gets 'paid' in non-cash goods and services, like food, housing, or transportation (for example, a property manager who receives free rent in exchange for building duties).

Unpaid work includes activities like internships, work done during a trial-period, and unpaid family caregiving. It *does not* include helping friends, family or neighbors, in an informal way or time spent doing regular chores and responsibilities for your own home.

What types of education programs can be counted?

Education includes enrollment in high school, a high school completion or equivalency program recognized by the state (GED programs), higher education (such as an associate's degree program or college), and technical or career education programs. To meet the requirement based on participation in an education program alone, a person must be enrolled at half-time. If they are enrolled less than half-time, the hours spent participating in one of these programs can be combined with hours spent working and/or volunteering to meet the 80 hours per month requirement.

Whether someone is enrolled half time will depend on how your educational program defines it. For example, 1 credit hour equals 1 hour of instruction, and we expect students to spend 2 hours on out-of-class work for a total of 3 hours of time spent in the educational program for the week. To calculate the time spent in the educational program for a 1 credit hour course during a 1-month period, this would be 3 hours a week multiplied by 4.33 weeks (in a month)³³ for a total of 12.99 hours in a month. This new standard is based on the Carnegie Unit, which defines 1 unit of credit as equal to 3 hours of student work per week (1 hour of lecture plus 2 hours of homework).

Another example from the IFR: If an individual's institution determines that 6 credit/semester hours is insufficient for half-time enrollment, a State would use our standard to convert that 6 credit/semester hours to monthly hours of educational activity. Under our standard, 6 credit hours converts to 77.94 hours of monthly activity for community engagement (6 credit hours x 3 x 4.33 = 77.94), which is close to, but slightly less than, the 80 hours of activity needed to demonstrate community engagement for a month.

If a person enrolled in an education program applies during a regular break (ex: summer break), they are still considered enrolled in the education program.

What type of community service or volunteer work can be counted?

Community service must be 1) unpaid, and 2) completed for the direct benefit of the community (i.e., not only to assist one individual, like mowing a neighbor's lawn). It cannot be partisan (e.g., canvassing for a particular political candidate, party or cause). The work must be done through a public or nonprofit organization that supervises and is able to track the time

spent on community service activities.

What type of work program can be counted?

Work programs include those offered by VA Works under the Workforce Innovation and Opportunity Act (WIOA) or the Trade Act of 1974, a state administered or supervised work program (such the SNAP Employment and Training program), and those offered by the U.S. Departments of Labor and Veteran's Affairs for the training and employment of veterans.

Programs can include supervised job search or job search training activities, as long as the time spent on these activities is less than half of the total program required hours.

Find out more about these programs:

- Virginia Works: www.virginiaworks.gov
- SNAP Employment and Training Program: (www.dss.virginia.gov/relief/food-assistance/snap/snap-employment-and-training-et/)

What happens if a Medicaid Expansion member who is not exempt is not volunteering, attending school, or working when they apply, but is starting a job in the future?

Future employment **does not fulfill** the requirement. To be eligible for Medicaid Expansion, they would need to meet the 80-hour requirement the month before they apply. If they do not, they won't be eligible for Medicaid until the month **after** they meet the requirement. A person who is working during the month that they apply, but was not working the month before, can be found eligible for Medicaid Expansion starting the month after they applied.

Can someone who is denied or whose Medicaid ended because they did not meet the new work requirement appeal the decision?

Yes, applicants and members can appeal eligibility decisions related to work requirements. Individuals who wish to appeal should follow the appeal instructions in the Notice of Adverse Action that they receive. Get [additional information about appeals](#).

Where to Learn More About the New Work Requirement

Affected members will receive letters by mail, text, or email starting in August 2026. **Important: Members need to ensure that Virginia Medicaid has their updated contact information to receive these important communications.** Changes to contact information can be reported online at commonhelp.virginia.gov, or by calling Cover Virginia at 855-242-8282

(TTY: 888-221-1590).

- Members can also visit the Virginia Medicaid website, dmas.virginia.gov and follow Cardinal Care on social media channels for updates.

Instagram: @CardinalCare

Facebook: @CardinalCare

LinkedIn: @Virginia Department of Medical Assistance Services

- Scan below for more information about the new Federal Medicaid Work Requirement:



Please note: all information in this document is based on current understanding. Additional forthcoming federal guidance may result in changes. We will update this document as new information is received.