

HR1 Webinar Series Module 3: Work Requirements

July 14, 2026



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Illinois Department of
Healthcare and Family Services



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Healthcare and Family Services

HFS Vision and Mission

OUR VISION FOR THE FUTURE

We improve lives.

- ▶ We address social and structural determinants of health.
- ▶ We empower customers to maximize their health and well being.
- ▶ We provide consistent, responsive service to our colleagues and customers.
- ▶ We make equity the foundation of everything we do.

This is possible because:

▶ **We value our staff as our greatest asset.**

We do this by:

Fully staffing a diverse workforce whose skills and experiences strengthen HFS.

Ensuring all staff and systems work together.

Maintaining a positive workplace where strong teams contribute, grow and stay.

Providing exceptional training programs that develop and support all employees.

▶ **We are always improving.**

We do this by:

Having specific and measurable goals and using analytics to improve outcomes.

Using technology and interagency collaboration to maximize efficiency and impact.

Learning from successes and failures.

▶ **We inspire public confidence.**

We do this by:

Using research and analytics to drive policy and shape legislative initiatives.

Clearly communicating the impacts of our work.

Being responsible stewards of public resources.

Staying focused on our goals.



HFS' Guiding Principles

- Ensure the Illinois Medicaid program maintains the ability to **cover as many health care services as possible**.
- Ensure eligible **Illinoisans receive and maintain the coverage and benefits** for which they qualify.
- **Mitigate harm** as much as possible.



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HR1 Education Webinar Series: Goals & Objectives

- Equip providers and other partners with the education and tools necessary to assist our customers
- Assure that our partners are sharing the same message as HFS and DHS
- Minimize the number of eligible customers who lose coverage

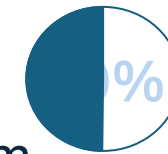
Agenda

- Work Requirements
- Toolkit
- Resources

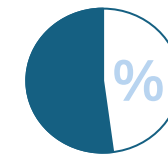
What is happening with Medicaid?

HR1, or the "Big, Beautiful Bill Act," was passed by Congress in July 2025. State Medicaid programs must comply with federal law.

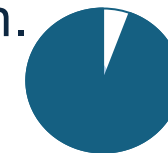
- Medicaid is a joint federal-state partnership.
- The federal government pays a specified percentage, called the Federal Medical Assistance Percentage (FMAP), of Illinois' program expenditures.
- Illinois funds its share of Medicaid expenditures through general revenue, health care related taxes (e.g., hospital assessment, nursing home assessment), and other sources.
- Illinois ***must comply*** with federal law to keep getting federal match.
- The federal government paid over **\$23.5 billion** to help fund the Illinois Medicaid program in calendar year 2025.



Federal FMAP floor



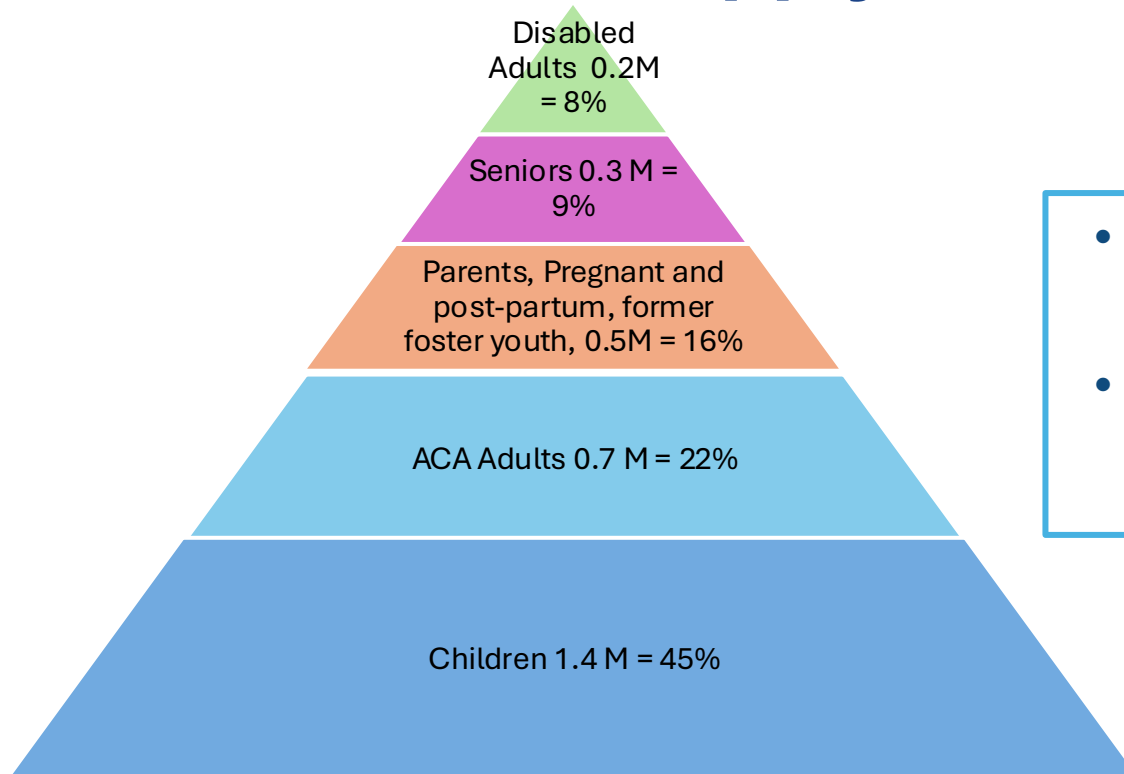
IL FFY25 FMAP



ACA expansion FMAP



Most HR1 Rules Apply to ACA Adults ~700K in Illinois



- ACA adults ages 19-64 without children under 18 who earn less than 138% of FPL
- Individuals 19 or older in the ACA Adult eligibility category are subject to work requirements and 6-month redeterminations

IL Medicaid enrollment Jan 2026

IL specific: Parent/Caretaker Relatives living with and on a case with a child under 18 are generally not in the ACA Adult group and are therefore not subject to work requirements.

Impact of Work Requirements on Medicaid Customers

Between 165,000 and 330,000 Illinoisans could lose Medicaid coverage due to the new federal work requirements

- About **700,000 Illinoisans** (ACA Adults) will be subject to Medicaid work requirements, and about 440,000 Illinoisans will be subject to SNAP work requirements.
 - About half of Medicaid customers are SNAP recipients.
 - About 90% of SNAP recipients are Medicaid customers.

Projected Losses:

- Internal estimates show that between **165,000 and 330,000 Illinoisans** will lose Medicaid coverage due to the new federal work requirements (~ **10% of our current customers**).
- States that have imposed work requirements, such as Arkansas and Georgia, saw tens of thousands of eligible enrollees lose coverage. Of those disenrolled in Arkansas, **97% were compliant or had exemptions, but still lost coverage.**

Work Requirements Under HR1

Individuals between ages 19-64 in the ACA adult eligibility category are "applicable individuals" unless they meet certain exclusions (exemptions) and are subject to **work requirements** starting in 2027.

The Basics:

- Work requirements are a **condition of eligibility for Medicaid for ACA Adults. This means that ACA Adults must meet or be exempt at application and at each redetermination to get/keep Medicaid.**
- Work requirements can be met in a variety of ways, including income, work, education and community service hours.
- Federal law exempts some ACA adults from work requirements.
- Even if an ACA adult is exempted from work requirements, they are NOT exempted from 6-month redeterminations.

Compliance Checks – Initial Application

States must verify compliance with work requirements at both the initial application and at a six-month redetermination for continued coverage.

- **At the time of application**, states must verify compliance with work requirements for the month immediately preceding the application.
 - **Harm mitigation opportunity:** States may choose to review up to three consecutive months preceding the month of application, but Illinois has selected the lowest possible review period.

Compliance Checks – Redetermination

States must verify compliance with work requirements at both the initial application and at a six-month redetermination for continued coverage.

- **At the time of redetermination**, states must verify compliance with work requirements for one of the months between the last determination and the current redetermination. That one month does not need to be the month immediately preceding the redetermination.
 - Harm mitigation opportunity: States may choose to require compliance for more than one month, including all months since the last verification. Illinois has chosen one month.
 - Harm mitigation opportunity: Additionally, states can choose to require more frequent verifications for compliance with the work requirement (e.g., monthly). Illinois will only verify at the federally required 6-month intervals.

Meeting Requirements

Individuals subject to work requirements can satisfy them in multiple ways:

- **Employment** = A minimum of 80 hours of work per month or a monthly income of \$580 ($\7.25×80)
- **Seasonal worker** = An average monthly income over the preceding 6 months that is not less than the applicable Federal minimum wage multiplied by 80 hours.
- **Community service** = A minimum of 80 hours of community service per month.
- **Work program participation** = Participation in a work program for a minimum of 80 hours per month.
- **Enrollment in an educational program** = Enrollment at least half-time in higher education or a career or technical education program.

Any combination of these activities totaling at least 80 hours



Definition of Work

- CMS defines work at [§ 435.552\(b\)](#) as:
 - Work in exchange for money
 - Work in exchange for goods or services (“in-kind” work)
 - Unpaid work other than community service
- Examples of types of work could include:
 - Employment with a company or organization
 - Operating a business or being an independent contractor
 - Working through an unpaid trial period
 - Unpaid internship to gain experience for a job or industry
 - A property manager performing maintenance in exchange for rent



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How Eligibility Income is Calculated

- HFS uses Modified Adjusted Gross Income (MAGI) to determine financial eligibility for most Medicaid programs.
- MAGI is determined using a combination of tax filing rules, excluded and included income, and relationship rules.
- When a customer completes an application, they indicate tax filing status and relationships on the application and the State caseworker will determine who is a part of the household Eligibility Determination Group (EDG).
- Income for the customer is determined by using MAGI and the household EDG

Definition of Community Service

- Unpaid work with a **structured program** that is completed for the **direct benefit of the community** under the auspices of **public or nonprofit organizations**.
- Community service activities can be completed to fulfill a court order or other mandate as countable hours towards meeting the requirements.

Question to Consider

Does your organization have a volunteer program? If so, how might your organization ensure that ACA Adults know about and have access to the volunteer program(s)?

What Counts as Community Service?

Examples of activities that **would** qualify as community service include:

- volunteering at a food bank,
- mentoring or tutoring young people, or
- supporting seniors through meal delivery.

Examples of activities that **would not** qualify as community service include:

- helping a friend with yard work,
- joining a community recreational club, or
- volunteering for a political candidate.

Guidance on Work Programs

- Approved work programs are:
 - Job Ready Illinois
 - WIOA Title I job programs
 - Population specific, i.e., veterans or location specific, i.e., Chicago residents, job programs approved by the Governor
 - SNAP E & T program can only be accessed if the customer is also receiving SNAP
- HCBS services or other Medicaid covered services that support employment do not independently meet the definition of work program.
- If unemployment insurance job search activities are consistent with the requirements of the work program, then they will count towards meeting the work requirements, as long as the job search activity is less than half of the required hours.

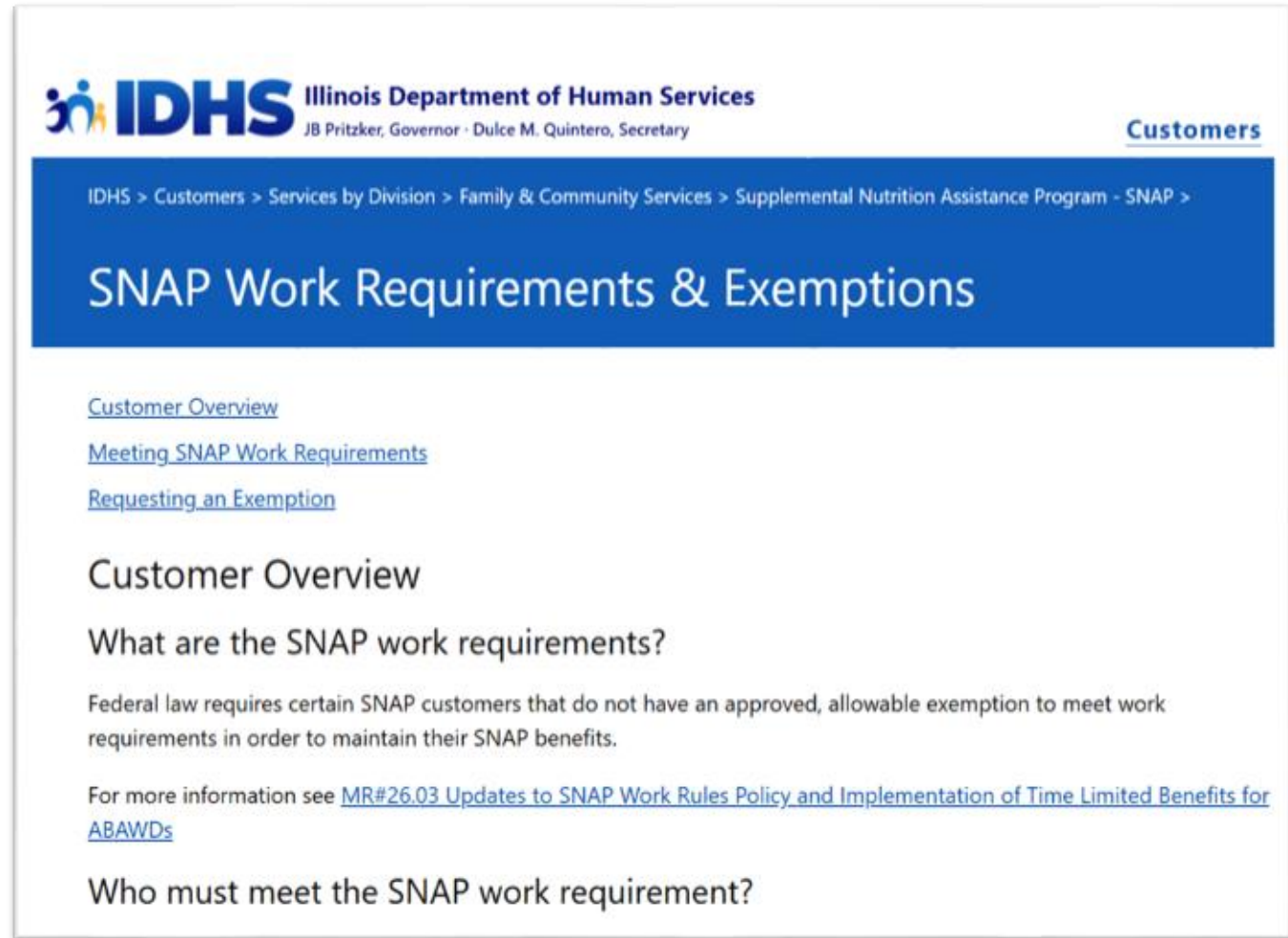
Relationship to SNAP Work Requirements

Who must meet SNAP Work requirements?

- An able-bodied adult without dependents* (ABAWD) who is:
 - age 18 through 64; and
 - receives SNAP benefits; and
 - does not qualify for an exemption.

Do I have to meet work requirements for BOTH Medicaid and SNAP?

- No. One of the exemptions for Medicaid work requirements in HR1 is being "a member of a household that receives supplemental nutrition assistance program benefits under the Food and Nutrition Act of 2008 and is not exempt from a work requirement under such Act."



The screenshot shows the Illinois Department of Human Services (IDHS) website. At the top, the IDHS logo is displayed with the text "Illinois Department of Human Services" and "JB Pritzker, Governor · Dulce M. Quintero, Secretary". A "Customers" link is in the top right. Below the header, a breadcrumb trail reads: "IDHS > Customers > Services by Division > Family & Community Services > Supplemental Nutrition Assistance Program - SNAP >". The main heading is "SNAP Work Requirements & Exemptions". Below this, there are three links: "Customer Overview", "Meeting SNAP Work Requirements", and "Requesting an Exemption". The "Customer Overview" section is expanded, showing the heading "Customer Overview" and the question "What are the SNAP work requirements?". The text below states: "Federal law requires certain SNAP customers that do not have an approved, allowable exemption to meet work requirements in order to maintain their SNAP benefits." It then provides a link for more information: "MR#26.03 Updates to SNAP Work Rules Policy and Implementation of Time Limited Benefits for ABAWDs". The final question visible is "Who must meet the SNAP work requirement?"



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Education Qualification

- Individuals can meet the new work requirement through being part of an educational program at least half-time. The types of education institutions/programs include:
 - An institution of higher education
 - A program of career and technical education
 - High school
 - A state-approved GED
- We will use the enrollment status determined by the school or institution (i.e., full-time, half-time, less than half-time) through the National Student Clearinghouse.

Combining Activities to Meet Requirements

- Customer Mary satisfies her work requirement by:
 - Working at the grocery store 10 hours a week x 4 weeks
 - Self-employed styling hair 10 hours a week x 4 weeks
 - Mary has met the monthly work requirement of 80 hours
- Customer Thomas satisfies his work requirement by:
 - Working at a restaurant 15 hours per week x 4 weeks
 - Volunteering at the local food pantry 5 hours per week x 4 weeks
 - Ben has met his monthly work requirement of 80 hours

Customers in same EDG must each meet requirements independently for work activities, activities of two individuals cannot be combined to meet the requirement.

Combining EDG Incomes to Meet Requirement

- Francis and Ricky live together and are in the same EDG. Fran makes \$600 a month working as a delivery driver. Ricky currently has no income. Because they are in the same EDG, the \$600 monthly income will qualify as meeting the work requirement for both Fran and Ricky.
- Keenan and Tyra are married and in the same EDG. Keenan earns \$400 a month, and Tyra earns \$400 a month. Both Keenan and Tyra have met the work requirement because they have met the \$580 income requirement through their EDG.

Verification of Work/Activities

- In 2027, the state will accept self-attestation of activities which cannot be verified through our interfaces/data sources with the individual attesting to the information being true and correct under penalty of perjury.
 - Attestation "under penalty of perjury" means swearing that the information provided is true and that the individual knows that lying is illegal. If found to be lying, they could be charged with a felony and subject to fines or time in prison.

New Screening Questions in ABE

Example of ABE screen with new questions about Community Engagement.

There are existing questions in the application about work participation. Those screens may have some slight changes to better assess activities.

Work Program ?

Check the box for anyone who participates in a Work Program now or in the month before application.

☐ No one

☒ 
Michael

Community Service ?

Check the box for anyone who performs Community Service activities now or in the month before application.

☐ No one

☒ 
Michael

Unpaid Work/Internship ?

Check the box for anyone who performs unpaid work, such as an internship, now or in the month before application.

☐ No one

☒ 
Michael

Education ?

Check the box for anyone who is currently enrolled in school, including part time.

☐ No one

☒ 
Michael

[Back](#) [Save and Exit](#) [Next](#)



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Additional Details

When an applicant has indicated participation in one of the work and/or community engagement categories, additional questions will display about the indicated activity.

Hello, Test. You are logged in.

90% Complete

Apply for Coverage

- ✓ Start
- ✓ People
- ✓ Liquid Resources
- ✓ Other Resources
- ✓ Job Income
- ✓ Other Income
- ✓ Housing Bills
- ✓ Other Bills

Finish

Submit

More About Michael's Medicaid Work Requirement Qualifying Activities

You have told us that Michael performed one or more activities that may help meet Medicaid Work Requirements. Please tell us a little more about this.

Michael's Work Program ?

What is the name of the Work Program Michael participated in? A list of approved Work Programs can be found here: [Approved Qualifying Work Programs](#)

How many hours did Michael participate in this Work Program in the month before application?

Add Work Program Record

Michael's Community Service ?

What is the name of the organization where Michael completed community service?

How many community service hours did Michael complete in the month before application?

Add Community Service Record

Michael's Unpaid Work/Internship ?

What is the name of the organization where Michael performed unpaid work or participated in an internship?

How many hours did Michael perform unpaid work or participate in an internship in the month before application?

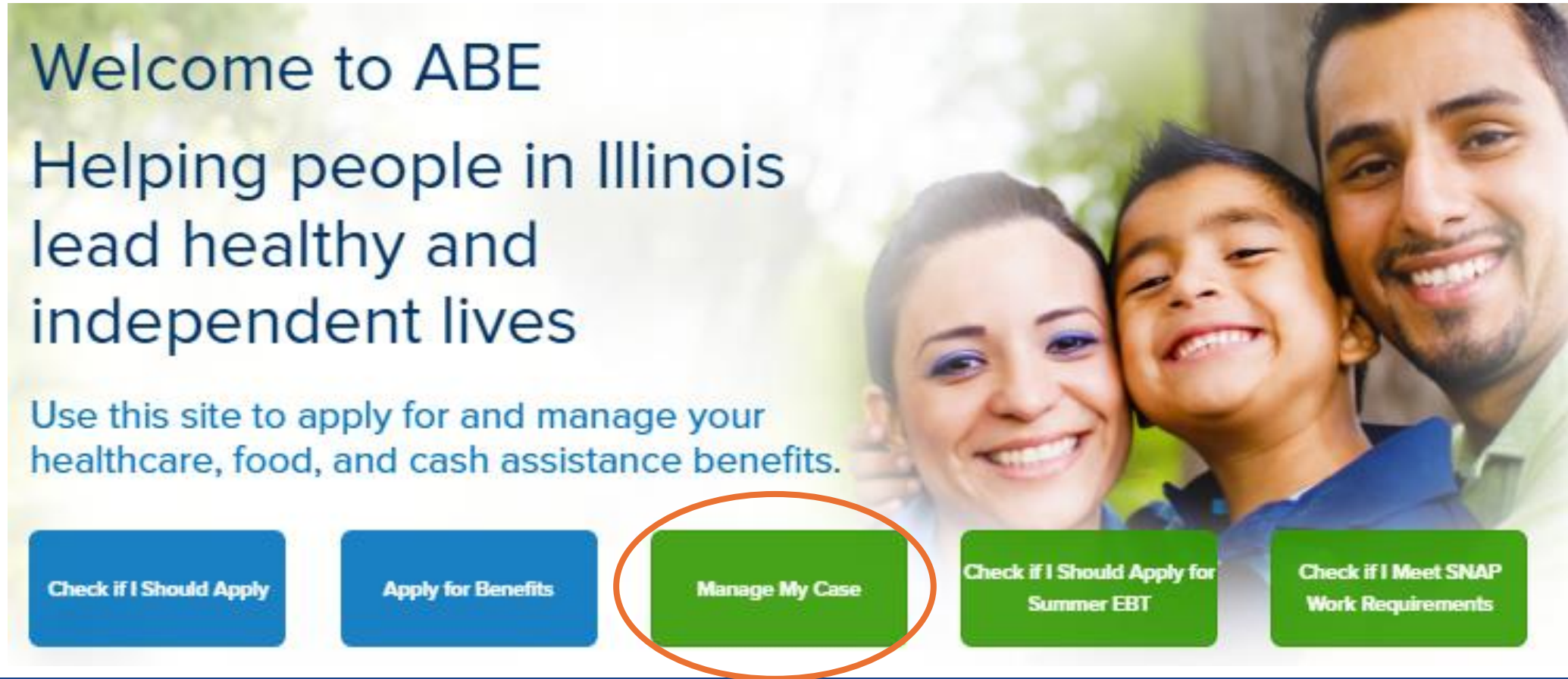
Add Unpaid Work Record



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Help Customers Create Manage My Case (MMC) Accounts!



Using ABE MMC for Work Requirements

- Log in to ABE and choose Manage My Case.
- Customers can already use MMC to manage their SNAP work requirements by choosing the Work Requirements button.
- On this page, you can choose options to meet SNAP work requirements or request an exemption.
- Customers will be able to use ABE MMC to manage Medicaid work requirements too.

ABE APPLICATION FOR BENEFITS ELIGIBILITY

Help | Print

Logged in: hannahstevens@mailinator.com

Logout

| Am I Eligible? | Apply For Benefits | Appeals |

Hello, Hannah. You are logged in.

ALERT

- Go Green today! Update your Preferred Delivery Method in [Communication Preferences](#) to receive Electronic Only notices.
- [2 new notices were posted to your account since your last login](#)

Case Summary | **Benefit Details** | Contact Information | Account Management

Report My Changes Click this button to report changes to your DHS or HFS Office.

Apply for Other Benefits Click this button to apply for additional benefits.

Manage My SNAP Work Requirements Click this button to manage your SNAP Work Requirements.

Welcome to the Case Summary Page. This page gives you a look at your benefits, and lets you know if there is anything you need to do to receive or continue benefits. From this page you can find information about your [benefit status](#), [verifications](#), [notices](#), [application or change report status](#).

We have taken a number of steps to keep your information private and secure. To learn more, [view your security and account management information](#).

As a head of household, you can [control benefit information displayed to other adults in your household](#).

What is the status of my benefit programs?

You have requested or are receiving the benefits mentioned below. Click on the "Click Here" link for each program to view a summary of your benefits. This information is current as of **December 9, 2025 10:43 AM**.

Follow this link and select **Other Changes** to [Cancel Your Case](#).

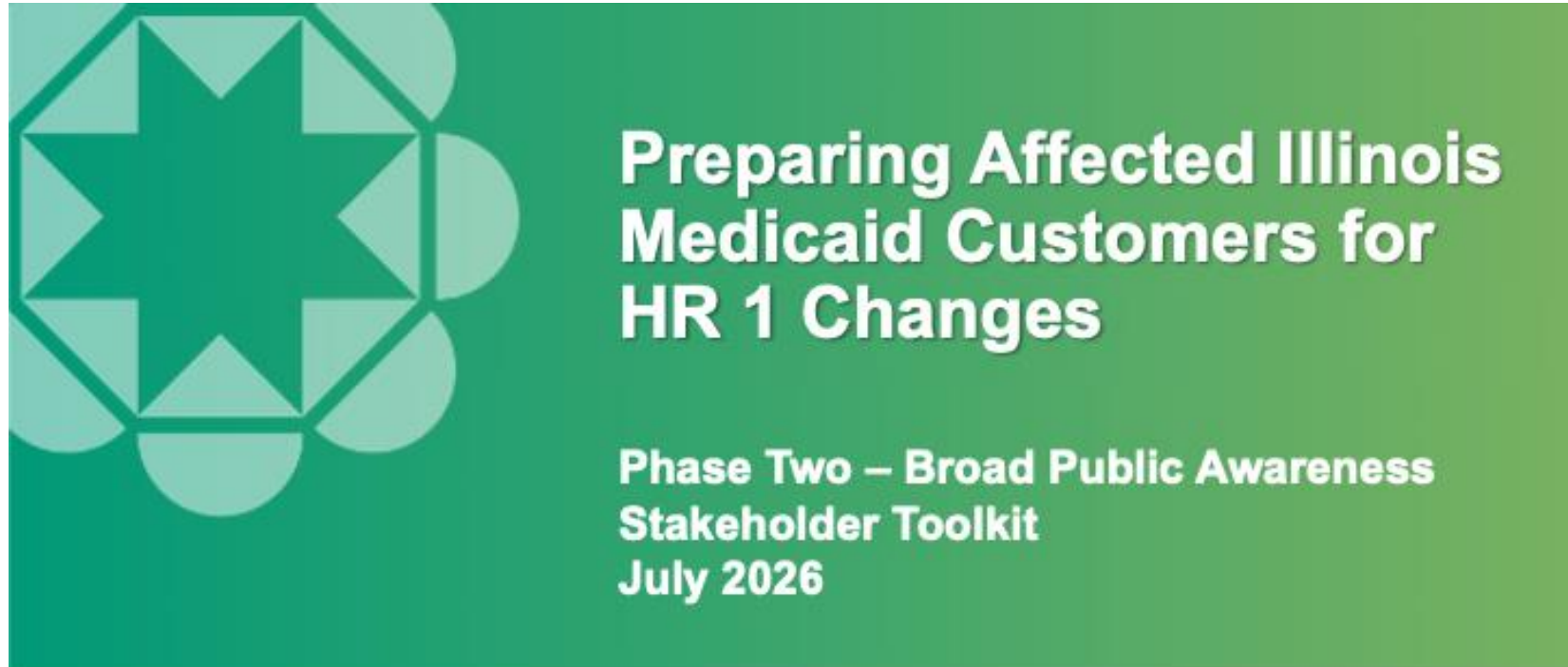
Benefit	Description	Summary
	Food Assistance Program	Food Assistance Program Details

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Toolkit Communications and Resources



Phase Two Toolkit – In Approval Phase



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MEDICAID CHANGES COMING IN 2027

Starting January 1, 2027, some adults may need to meet new federal requirements to keep their Medicaid coverage.

DO THESE CHANGES APPLY TO YOU?



Are ages 19-64



Received Medicaid through the ACA Adult Program



Do not receive Medicare



Do not have a child age 18 or younger living in your home

NOTE: You may qualify for an exemption. Some people may not need to meet these requirements because of a medical condition, disability, or other approved reason. To find out more about exemptions, visit [xx-xxx-xxxx](#).

WHAT IS CHANGING?



At least 80 hours:

- Work
- Community service
- Work program participation



Income of at least \$580/month
Seasonal workers - average \$580/month income over 6-months



Educational enrollment (at least half time)



Renew your Medicaid coverage every 6 months instead of every 12 months

NOTE: You can combine any of the activities listed above to meet the required 80 hours.

WHAT TO DO NOW



Update your contact information at [abe.illinois.gov](#)



Watch your mail. HFS will send you a notice if you are affected.



Scan the QR Code and click "Manage My Case"

Updating your contact information does not mean your benefits are changing.

1-877-805-5312

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At least 80 hours/month:

- Work or community service
- Work program participation
- Educational enrollment (at least half time)

At least \$580/month income over 6 months:

- Seasonal workers - average \$580/month income over 6 months

NOTE: You can combine any of the activities listed above to meet the required 80 hours.

WHAT TO DO NOW

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- Watch your mail - HFS will send a notice if you are affected
- Call 1-877-805-5312 for help

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WHAT IS CHANGING?

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- Work or Community service
 - Work program participation
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- Seasonal workers - average \$580/month income over 6-months

Renew your Medicaid coverage every 6 months instead of every 12 months

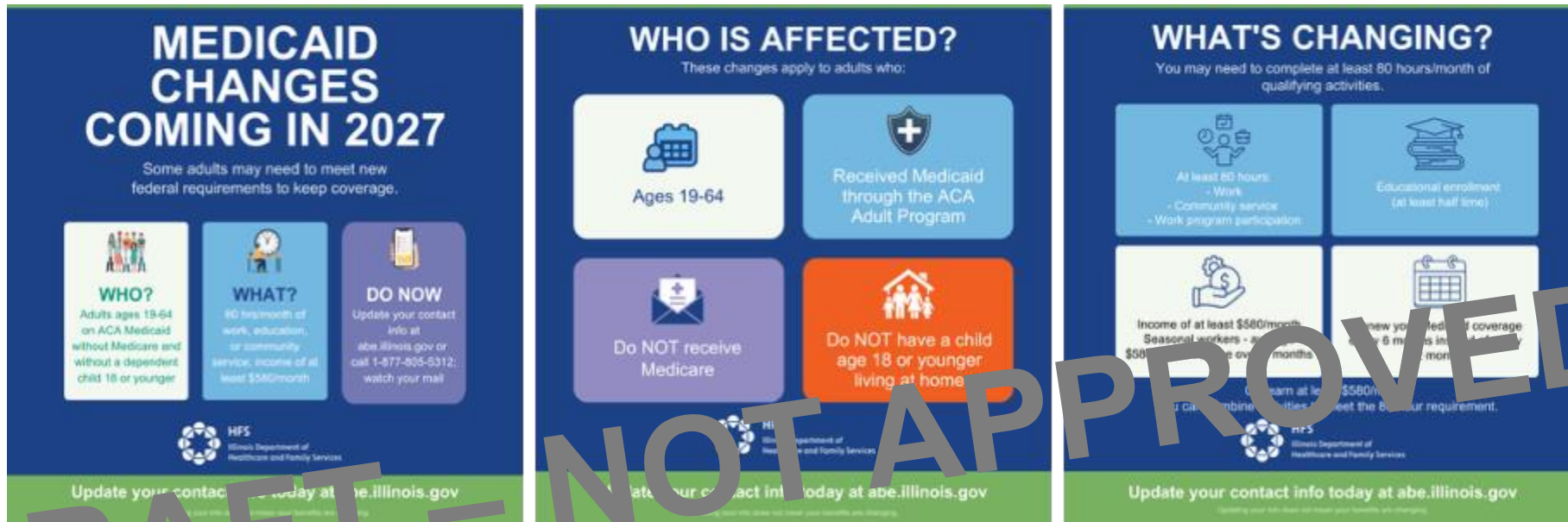
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Social Media Carousel:

Some Illinois Medicaid customers may be affected by new federal work requirements beginning January 1, 2027. HFS will contact customers who need to take action or provide information. To make sure you receive important updates, keep your contact information current. Update your information at abe.illinois.gov or call 1-877-805-5132. Learn more about upcoming Medicaid changes at our Medicaid Customer Guide: <https://hfs.illinois.gov/medicalclients.html>



Work and Community Engagement Resources

- [IDHS: Connecting to Opportunities to Meet Work Requirements](#)
- [Serve Illinois Volunteer Connector](#)
- [Galaxy Digital Volunteer Opportunities](#)
- [Department of Commerce and Economic Opportunity Job Training](#)