

Legislative Oversight And Investigations Committee Meeting Request

Response From Humana

Contact: Will Spears, LOIC CSA, ex 59923 or Maegan Mohr, Research Assistant, ex 59148

At the August 13 meeting of LOIC, Medicaid managed care organizations testified about Medicaid in Kentucky. In response to a question from Representative Smith, Humana representatives stated they would respond to the committee about whether new safeguards in the system capture undocumented recipients. On September 2, Humana's Director of Government Affairs provided a response.

Humana Response

Thank you for following up on Representative Smith's question regarding new safeguards and undocumented recipients in Medicaid managed care.

The short answer is yes. In addition to recent Kentucky changes, there are new federal Medicaid and CHIP eligibility and claiming safeguards scheduled to take effect October 1, 2026. These changes come from section 71109 of the federal Working Families Tax Cut legislation (Public Law 119-21) and were explained by the Centers for Medicare & Medicaid Services (CMS) in a letter to states along with a companion implementation slide deck issued in May 2026. Copies of those documents are linked below for the committee's reference.

These new safeguards are intended to ensure that federal Medicaid and CHIP funding is claimed only for individuals whose citizenship or immigration status qualifies for federally funded coverage under the new law. Beginning October 1, 2026, federal funding for full Medicaid and CHIP coverage will generally be limited to:

- U.S. citizens and U.S. nationals;
- lawful permanent residents (green card holders);
- Cuban/Haitian entrants; and
- COFA migrants,

subject to existing rules such as the five-year waiting period where applicable, and subject to limited exceptions including emergency Medicaid and the CHIPRA 214 option for certain lawfully residing children and pregnant women.

States are being directed by CMS to make a number of implementation changes by that date, including:

- updating eligibility and claims systems;
- electronically verifying immigration status through the federal SAVE system;
- using a new federal data indicator, "eligible noncitizen," through the Federal Data Services Hub where applicable;
- reviewing current beneficiaries who may be affected; and
- providing notice and due process before any reduction or termination of coverage.

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So, as to the committee's question, these new safeguards are designed to identify individuals who cannot be verified as having a qualifying immigration status for federally funded full Medicaid or CHIP coverage. That process would include undocumented individuals. If a person cannot verify satisfactory immigration status and does not qualify under an exception, federal funding would not be available for full Medicaid or CHIP coverage for that individual. In Medicaid, that person may still be evaluated for emergency Medicaid if applicable.

With respect to Kentucky's current Medicaid managed care contracts, there is already a contract language addressing this area, "timed limited coverage for illegal aliens for Emergency Medical Conditions" is listed as an ineligible category for managed care enrollment. More generally, the contract also requires the MCO to comply with applicable federal and state Medicaid law, and it gives the Department the authority to determine eligibility and enrollment. CMS has indicated that states should review and revise managed care contracts as needed to reflect the new federal requirements.

Because this guidance is new, I am linking the documents that provide details on the legal changes, eligibility verification requirements, system updates, managed care implications, claiming rules, and implementation timelines:

1. [CMS State Health Official Letter #26-001 \(April 8, 2026\)](#)
2. [CMS companion implementation slide deck \(May 2026\)](#)

We sincerely appreciate the committee's partnership, focus on getting Medicaid right in Kentucky and the ability to provide additional guidance.

Please let me know if you or committee members have any further need.

All the best,

Talley Russell, MBA

Director | Government Affairs

Humana