### HEALTH MANAGEMENT ASSOCIATES



# In Focus: Federal Shifts and the Potential Impacts on Healthcare Quality Oversight

This week, our *In Focus* section explores how recent federal shifts—particularly under the Trump Administration—are reshaping healthcare quality oversight. Health Management Associates (HMA) has published several analyses on the 2025 Budget Reconciliation Act (H.R. 1, formerly known as the One Big Beautiful Bill, <a href="here">here</a>), Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA, <a href=here</a>), and the 2025 Centers for Medicare & Medicaid Services (CMS) Quality Conference (<a href=here</a>). Together, these federal changes and the policy priority shifts described at the Quality Conference, have implications for monitoring and oversight of healthcare quality for publicly insured, commercially insured, and uninsured individuals. <a href="Read More">Read More</a>

**New on HMAIS: Updated AR State Overview** 

HMAIS has updated its Arkansas state overview to incorporate recent federal approvals of two Section 1115 demonstrations, reflecting the latest developments in the state's Medicaid landscape. Read More

#### **New on HMAIS: Updated MI State Overview (Correction)**

HMAIS has corrected its Michigan state overview to reflect the accurate procurement dates for the recently released regional Prepaid Inpatient Health Plan (PIHP) RFP. The correct timeline is that answers to bid questions are due from the state on August 29, 2025. Proposals are due from prospective bidders on September 29, 2025, and implementation is scheduled for October 1, 2026. Read More

### Cook County Health to Focus on Value-based Care, Specialty Services Amid Federal Cuts

Modern Healthcare reported on August 27, 2025, that Cook County Health is seeking to expand value-based care contracts, telehealth, and care coordination, while tightening budgets and freezing some hiring. The health system faces steep financial pressures, including an annual \$120 million hit from looming Disproportionate Share Hospital cuts, plus \$88 million from Medicaid work requirements and \$50 million from reenrollment changes. The end of Illinois' Health Benefits for Immigrant Adults program also eliminated \$111 million in reimbursements. Chief executive Dr. Eric Mikaitis warned that without federal action, safety-net hospitals could face closures, creating longer wait times and reduced access for all patients.

#### PA Receives \$4.1 Million in Federal Funding for Juvenile Reentry Services

Fox 43 reported on August 26, 2025, that Pennsylvania is receiving \$4.1 million from the Centers for Medicare & Medicaid Services (CMS) to enhance healthcare services for juveniles leaving incarceration. The funding will support an electronic health record system to track medical, behavioral, and dental health information within Youth Development Centers. The EHR system is meant to streamline administrative processes, help providers communicate more effectively, and improve care coordination.

# VA Medicaid Eligibility System Faces Challenges Meeting New Federal Requirements, Study Finds

The Cardinal News reported on August 27, 2025, that Virginia's decentralized Medicaid eligibility system faces challenges in meeting new federal requirements such as tracking enrollees' work hours and twice-yearly eligibility checks, according to a <a href="state-commissioned study">state-commissioned study</a>. The study found that the state's IT system is outdated and many local agencies struggle to process applications within federal timelines, creating a reliance on manual paperwork. Implementing the new rules will require technology upgrades and additional staff, with estimated costs ranging from \$10 million to \$250 million. The study also noted that these changes could increase workloads, affect coverage continuity, and have varied impacts across communities.

#### Blue Shield of CA Names Mike Stuart Permanent CEO

Modern Healthcare reported on August 26, 2025, that Blue Shield of California has appointed Mike Stuart as permanent chief executive after serving in an interim role since March, following Lois Quam's departure. Stuart plans to focus on advancing value-based care, digital adoption, and initiatives such as the new \$500 million pharmacy care program.

## TenderHeart Releases Incontinence Management Program Study Findings on Medicaid Outcomes

TenderHeart <u>released</u> on August 27, 2025, results to its Incon@Home program study, which found that combining incontinence coaching with higher-quality products led to significant improvements for frail, community-based Medicaid members ages 55–90. Participants experienced an 82 percent reduction in urinary tract infections, a 100 percent decrease in pressure ulcers, and a 60 percent reduction in falls, while overall care costs dropped by 20 percent. Two-thirds of members reported improved well-being, citing better product quality, skin health, and convenience. The findings were shared at the Advancing States Home and Community-Based Services Conference, with final peer-reviewed results expected in nine months.



#### **Data & Updates**

- DE Medicaid Managed Care Enrollment Down 2.2%, Jul-25 Data
- OH Medicaid Managed Care Enrollment is Down 1.1%, May-25 Data



#### **Public Documents**

- MD HealthChoice Consumer MCO Report Cards, 2019-25
- TX Budget Documents, FY 2026-27
- WI Medicaid Managed LTC in Geographic Service Region 2, 7 RFP, Awards, Scoring, Proposals, 2025



#### Webinars, Podcasts, Conferences, & More

- Replay: Webinar Kill the Clipboard: What Does the CMS-Aligned Network Strategy Mean for the Future of Interoperability
- Podcast Ready or Not: Implementing Strategy Amid Massive Healthcare Disruption
- Webinar Replay Medicaid, Money & Mission: Unlocking Community Reinvestment Opportunities in Georgia
- State of Reform: Inland Northwest Health Policy Conference

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