HLB's Health Equity Essentials Blog

Insights 01.22.26

On behalf of the Hooper, Lundy & Bookman, PC Health Equity Task Force, here is our most recent HLB Health Equity Essentials.

AI Chatbot Use Rapidly Increasing by Youth as a Mental Health Treatment Modality, Raising Safety Concerns

Adolescents and young adults are increasingly turning to AI chatbots in hopes of addressing their mental health issues. A recent study published in *JAMA Network Open* found that amid the ongoing youth mental health crisis – 13.1% of youths (≈ 5.4 million) relied upon generative AI for mental health advice. But such reliance on chatbots is concerning, particularly for youth with more critical and complex mental health needs, because, as the study noted, there is little benchmarking or insight into how the underlying models and algorithms are derived. Recent lawsuits claiming ChatGPT directly caused patients' suicides highlight the controversy surrounding these largely untested approaches to self-help treatment.

Department of Veterans Affairs Bans Abortions

The Department of Justice (DOJ) released a memo on Dec. 18, 2025, that prohibited the Department of Veterans Affairs (VA) from providing any abortion services to veterans and their dependents, even those previously excluded from the VA abortion ban when their health is threatened by carrying a pregnancy to term or if the pregnancy is due to rape or incest. Subsequently, the VA allegedly issued its own internal memo, advising VA officials that it must comply with the DOJ policy. This is consistent with the VA's Aug. 2025 proposed rule (which has not yet been finalized) to reinstate its full exclusion on abortions and abortion counseling from the VA's medical benefits package. Until 2022, this exclusion was consistently in place since the VA first offered this medical benefits package in 1999.

Medicaid Working-Aged Adults Largely Spared from Financial Hardships Following Surgical Procedures

A recent study published in *JAMA Surgery* determined that, among working-aged adults, uninsured and privately insured patients face severe financial hardships following surgery, whereas Medicaid beneficiaries are largely shielded from these effects. These findings indicate that, without changes to improve financial risk protection, restrictive policies on Medicaid eligibility may increase financial hardship among working-aged surgical patients.

Minnesota in CMS' Crosshairs Following Evidence of Widespread Medicaid Fraud, Waste, and Abuse

On Jan. 14, 2026, the Centers for Medicare & Medicaid Services (CMS) published a "notice of opportunity for hearing", which would allow Minnesota representatives to appear before CMS to respond to its findings that Minnesota has fallen substantially out of compliance with federal Medicaid requirements due to numerous

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instances of fraud and waste, particularly among its social services offerings. CMS' findings will be the basis for withholding federal financial participation from Minnesota's Medicaid program, which will only end when Minnesota's Medicaid agency implements an acceptable corrective action plan to bring its program integrity back into compliance with federal requirements concerning the identification, reporting, and investigation of suspected fraud.

GLP-1s' Present Clinical and Coverage Challenges for Older Adults

GLP-1s (e.g., Ozempic) have been widely praised for their use in treating Type 2 diabetes and for their weight loss benefits. However, new reporting indicates that older adults are stopping these drugs at unusually high rates, often within just a few months of starting them. Many adults 65 and older discontinue GLP 1s due to high costs and limited insurance coverage, particularly because Medicare generally does not cover these medications when prescribed solely for weight loss. Others stop because of gastrointestinal side effects and concerns about losing muscle and other lean mass, a risk that is especially significant for older adults who already experience age related declines in muscle strength. As a result, many older patients who discontinue GLP 1 therapy regain weight and lose associated health benefits, underscoring the need for careful clinical monitoring and more sustainable coverage pathways for this population.

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