HLB's Health Equity Essentials Blog

Insights 04.27.26

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

Medicaid Staffing Shortages Compound Woes of Beneficiaries and Applicants

Recent research shows that many states' Medicaid administrative offices do not have sufficient personnel to address the heavy volumes of individuals needing assistance with enrollment or attaining benefits. The One Big Beautiful Bill Act passed last year is expected to intensify these already overly strained offices by requiring that they determine whether enrollees meet new work requirements, as well as verify on a semi-annual (versus annual) basis whether enrollees continue to qualify for Medicaid.

Many State Farm Bureaus Offer Affordable Alternative for Health Insurance Coverage

Currently, farm bureaus in 14 states offer health insurance options for their members at price points lower than coverage obtained through the Affordable Care Act's marketplace. But saving on premiums often comes with a tradeoff, including a potentially narrower range of covered services, increased cost sharing, and a lack of protection against coverage rejections due to preexisting conditions.

Urgent Care Centers Beginning to Fill Void Created by Abortion Clinic Closures

In the wake of the U.S. Supreme Court's 2022 *Dobbs* decision that overturned *Roe v. Wade* and the federal Medicaid cuts in reimbursement for abortion care services that followed, Planned Parenthood and other clinics offering abortion care have closed many facilities across the country. Although use of telehealth to obtain abortion services has spiked in response, many patients are wary of receiving abortion care services other than through an in-person encounter. Urgent care centers have started to address this need by adding medical abortions to their available list of services.

Many Medicare Advantage Enrollees Facing Forced Disenrollment

A new study by researchers at the Johns Hopkins School of Public Health reveals that Medicare Advantage (MA) plans are beginning to exit markets across the nation, estimating that 10% of enrollees (about 2.9 million people) will lose coverage in 2026 alone, with some states facing significantly higher rates of coverage loss. Rural counties and counties with less MA penetration are expected to experience more widespread plan exits. The study attributes this development to financial pressures and policy uncertainty facing MA plans, which are run by private insurance companies.

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EEOC Rules in Favor of FEHB Eliminating Coverage for Gender Transition Services

On March 24, the Equal Employment Opportunity Commission (EEOC) affirmed the Office of Personnel Management's (OPM) decisions that the Federal Employee Health Benefits (FEHB) Program can remove gender-affirming care from coverage for its enrollees. The EEOC's decision rejected claims of sex-based and disability discrimination brought by federal workers, ruling that the FEHB's policy did not violate Title VII of the 1964 Civil Rights Act or the Rehabilitation Act of 1973. The FEHB Program provides health insurance for over 9 million federal employees, retirees, former employees, family members, and former spouses.

22 States Using RHTP Funds to Acquire Mobile Medical Units

Twenty-two states are using the first tranche of funds obtained through the $50 billion federal Rural Health Transformation Program (RHTP) to purchase mobile medical units to facilitate health care delivery in rural communities. These units offer services like oncology, obstetrics, and hospital-at-home, focusing on underserved populations through innovative partnerships. Despite their potential to provide needed care in these communities, deploying these resources in a manner that is most cost-effective remains a challenge.

CMS Cuts Excellent Health Outcomes for All Reward Program

For contract year 2027, the Centers for Medicare & Medicaid Services (CMS) removed the Excellent Health Outcomes for All reward (f/k/a Health Equity Index reward) as part of the Medicare Advantage (MA) and Part D final rule. The objective of these measures was to incentivize better outcomes for a certain segment of Medicare enrollees. As part of the final rule, CMS will instead use the historical reward factor that promotes consistently high performance for all enrollees across all quality measures, while it explores options for simplifying the Star Ratings methodology.

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