CHILDREN'S HOSPITAL ASSOCIATION

July 31, 2026

The Honorable Dr. Mehmet Oz
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
P.O. Box 8016
Baltimore, MD 21244-8016

Re: Medicaid Program; Community Engagement Requirement for Certain Individuals [CMS-2454-IFC]

Dear Administrator Oz,

The Children's Hospital Association (CHA) is the nation's leading advocate for children's health, uniting children's hospitals to improve care and amplify impact. On behalf of the more than 200 children's hospitals and the millions of children and families we serve, we appreciate the opportunity to provide comments on the Centers for Medicare and Medicaid Services' (CMS') interim final rule (IFR) regarding community engagement requirements in Medicaid. Our comments focus on the potential unintended consequences for young adults with complex conditions who are likely to face additional disruptions in coverage and care due to the administrative complexity associated with proving their eligibility for the medical frailty exclusion. We are also concerned about coverage gaps for parents and caregivers of children with complex medical conditions, as well as the operational challenges for children's hospitals who often serve Medicaid beneficiaries from multiple states.

Children's hospitals care for the most medically complex pediatric patients, many of whom are covered by Medicaid. Often, they are the only source of treatment for children from across the country with rare diseases and conditions. It is not unusual for patients with complex medical conditions to maintain their established care teams as they navigate the transition to adult care. Some medically complex patients, such as those with congenital heart disease or cystic fibrosis, may receive care at a children's hospital well into adulthood or throughout their adult life. When Medicaid-covered youth with special health care needs approach adulthood, they may need to navigate multiple age-related transitions that can make it difficult to maintain coverage and care. These can include transitions from child to adult Medicaid eligibility, the end of the early and periodic screening, diagnostic, and treatment (EPSDT) requirement, and the age-18 Supplemental Security Income (SSI) redetermination, among others.[1]

Gaps in Coverage for Young Adults with Complex Medical Conditions

The restrictive definition of medical frailty introduced in the IFR will further complicate this transition for young adults with complex medical conditions who become subject to community engagement requirements, leading to additional coverage and care disruptions. Delays in the

[1] Medicaid and CHIP Payment and Access Commission. Chapter: Children and Youth with Special Health Care Needs Transitions to Adult Coverage. In *Report to Congress on Medicaid and CHIP.* June 2026.

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SSI disability redetermination process, for example, can mean that young adults with complex medical conditions become enrolled through the adult expansion pathway or a Section 1115 demonstration that is subject to community engagement requirements. Although the statute requires states to exclude individuals who are medically frail, the IFR limits this exclusion by requiring that individuals with qualifying medical conditions demonstrate that the condition significantly impairs their ability to comply with community engagement requirements (§ 435.554(c)(5)). Separately, the IFR limits the ability of states to accept self-attestation beginning January 1, 2028 (§ 435.557(f)), meaning that young adults with medical complexity will have to provide states with documentation of their condition and inability to engage in qualifying activities. These changes are likely to compound the challenges facing young adults with complex medical conditions and their families, making them more vulnerable to coverage loss, financial strain, and potentially devastating disruptions in their care. **We therefore urge that CMS: (1) reconsider the added functional impairment standard for individuals who already fall into one of the statute's five categories of medical frailty to ensure alignment with congressional intent; and (2) extend the self-attestation option beyond 2027 for individuals whose medically frail status was previously verified.**

Gaps in Coverage for Parents and Caregivers of Children with Complex Medical Conditions

We are also concerned about the IFR's impact on parents and caregivers of pediatric patients. Although parents and caregivers of children under age 14 are excluded from community engagement requirements (§ 435.554(a)), many will still be responsible for caring for their children as they progress through adolescence and adulthood. The responsibility of caring for an individual with a severe disability, significant medical complexity, or life-altering diagnosis can affect the ability of parents and caregivers to satisfy community engagement requirements. Some parents and caregivers may qualify for another exclusion, such as providing care for a person with a disability; however, we are concerned that the additional documentation and verification process required to obtain such an exclusion will lead to many parents and caregivers losing coverage for administrative reasons. These avoidable coverage losses may cause additional strain for parents and caregivers and risk disrupting coverage and access to care for their children, who are more likely to be enrolled in and retain health coverage when their parents are insured. **In addition to providing more flexibility for states to use self-attestation, CMS should direct states to affirmatively screen households for continued caregiver exclusion under the disabled individual category at § 435.554(a) when a dependent child turns age 14, rather than defaulting the caregiver to applicable-individual status pending a separate showing by the family.**

Administrative Burden for Pediatric Providers

The documentation required to establish exclusions for patients with medical frailty and their parents or caregivers will place undue administrative burden on pediatric providers at children's hospitals. Although pediatric specialty providers already document disability for certain federal and state programs, the population affected by community engagement requirements is much broader, meaning that many more patients and families could require provider documentation

for medical frailty or parent and caregiver exclusions. This expanded role will place significant new demands on an already strained clinical workforce. Because children's hospitals often care

for Medicaid patients from many different states, providers and staff will be required to help patients and families navigate a patchwork of state-specific policies and forms, diverting time from patient care. Pediatric providers will be in the difficult position of tailoring clinical documentation to satisfy varying state criteria, which in turn will increase administrative complexity and compliance risks. **To help ease the administrative burden, we encourage CMS to establish standardized federal documentation requirements and clear clinical guidance for medical frailty determinations, while limiting unnecessary documentation requests whenever Medicaid or clinical information is sufficient. CMS should also establish a public repository of state community engagement policies, including criteria for applicable exceptions and exclusions, documentation requirements, and timelines.** This type of centralized and reliable source of information will be crucial to avoiding confusion among providers as well as patients and their families as they seek to maintain their coverage and access to care.

The above recommendations for protecting young adults with complex medical conditions and their families and minimizing the administrative burden for pediatric providers will take time for CMS and states to implement. **We therefore recommend that CMS delay implementation of community engagement requirements until these safeguards are in place.** Allowing the requirements to take effect in 2027 without these protections risks serious adverse consequences for vulnerable young adults and their families, as well as further strain on the pediatric workforce.

Thank you for the opportunity to provide comments on the IFR implementing community engagement requirements in Medicaid. We appreciate your consideration and welcome the opportunity to engage with you on these issues. Please contact Melinda Becker Roach (melinda.roach@childrenshospitals.org) with any questions.

Sincerely,

Aimee Ossman

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