

NEW JERSEY REENTRY CORPORATION

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COMPLIANCE REPORT

H.R. 1 / Public Law 119-21

Medicaid & SNAP Compliance: Impact, Implementation,
and Protective Services for the Reentry Community

Submitted to

The Honorable Governor Mikie Sherrill, State of New Jersey

Senate President Nicholas P. Scutari, The New Jersey State Senate

Speaker Craig J. Coughlin, The New Jersey General Assembly



Prepared by the New Jersey Reentry Corporation

June 2026

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Introductory Letter

June 2026

The Honorable Mikie Sherrill
Governor, State of New Jersey
Office of the Governor, 125 West State Street
Trenton, New Jersey 08625

Dear Governor Sherrill:

On behalf of the New Jersey Reentry Corporation, thank you for the opportunity to collaborate with your Administration on the work, community engagement, and reporting requirements of H.R. 1 as they take effect. This report presents NJRC's plan to protect Medicaid and SNAP coverage for people returning from incarceration, court-involved individuals, persons in recovery, and veterans.

We are most grateful for Governor Sherrill's leadership and her personal understanding of those we serve. From advancing reentry initiatives in the U.S. Attorney's Office to supporting incarcerated women and honoring fellow veterans in Congress, her record reflects a longstanding commitment to dignity, opportunity, and successful reentry.

Our intent is for NJRC to be recognized as a benefits-navigation agency with staff completing the applicable federal and State training for each benefit program in service of the reentry, recovery, and veteran populations.

State-certified nonprofit provider specifically equipped to meet the H.R. 1 compliance and benefits-navigation needs of the reentry, recovery, and veteran populations, with all designated staff formally certified in benefits enrollment and eligibility assistance.

As many as 330,000 New Jersey residents could lose Medicaid under H.R. 1, and an estimated 47,000 residents are also at risk of losing SNAP benefits in any given month. For many affected residents, the principal threat is documentation failure rather than legal ineligibility; individuals may be working, participating in education or treatment, or eligible for an exemption, yet still lose benefits because they cannot produce timely, verifiable records.

NJRC proposes a structured Reentry Workforce Readiness Program for participants who must complete a qualifying activity under H.R. 1. The program leads to an industry-recognized credential and is designed to satisfy the qualifying-activity requirements under both SNAP work requirements and the Medicaid community-engagement requirement.

NJRC will pursue the necessary State and federal approvals to establish this program as a qualifying SNAP Employment and Training component and, for Medicaid-only participants, as a State-approved qualifying Medicaid work program under Section 71119 of Public Law 119-21 and 42 C.F.R. § 435.552. NJRC will also pursue staff certification in SNAP, Medicaid, marketplace, reentry, and veterans' benefits navigation to strengthen eligibility determinations, exemption documentation, renewals, and benefits retention.

For SNAP participants subject to the SNAP work requirement, participation in the approved program will document compliance with that requirement. Individuals who receive SNAP and

are subject to a SNAP work requirement are specified excluded individuals under the law and are not separately subject to the Medicaid community-engagement requirement. For Medicaid-only participants, NJRC will seek State recognition to establish the same program as a qualifying Medicaid work program.

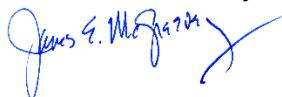
NJRC's specialized programs support participation and documentation across our reentry, veteran, women's, bilingual, and peer-engagement populations. These services do not replace qualifying activity; they remove barriers to participation and provide necessary activities and Salesforce®-verified documentation.

Preventing procedural disenrollment is both a fiscal and public-safety priority. When eligible individuals lose Medicaid, unmet needs shift to more costly emergency care and increase the risks of treatment interruption, relapse, homelessness, and reincarceration. NJRC's structured programming and audit-ready Salesforce® documentation help preserve coverage, protect federal funding, and sustain proven public-safety outcomes: NJRC participants have a reincarceration rate of 14.01 percent, compared with 22.0 percent statewide.

We are grateful for the leadership and support of Lieutenant Governor Dr. Dale G. Caldwell; Senate President Nicholas P. Scutari; Senate Majority Leader M. Teresa Ruiz; Senator Joseph F. Vitale, Chair of the Senate Health, Human Services and Senior Citizens Committee; Speaker Craig J. Coughlin; Attorney General Jennifer Davenport; NJDHS Commissioner Dr. Stephen Cha; NJDOL Commissioner Kevin Jarvis; NJMVC Commissioner Rosalie Johnson; NJDOC Commissioner Victoria Kuhn; NJDHS Deputy Commissioner Valerie Mielke; Assistant Commissioner Greg Woods; New Jersey State Parole Board Chairman Samuel J. Plumeri, Jr.; and our H.R. 1 Implementation Conference co-host and sponsor, University Hospital President and CEO Carole Johnson.

NJRC has begun this work. NJRC offers its infrastructure, its experience, and its full partnership to ensure that no eligible member of the New Jersey reentry community loses coverage for want of documentation. The people we serve cannot afford a gap between eligibility and proof; we intend to preserve Medicaid and SNAP for those we are privileged to serve.

Thanks, best, fondly,



Jim McGreevey

Executive Summary

Public Law 119-21 (H.R. 1) imposes new work, community-engagement, and verification requirements affecting Medicaid and the Supplemental Nutrition Assistance Program (SNAP). The consequences fall most heavily on the populations served by the New Jersey Reentry Corporation (NJRC): people returning from incarceration, persons in addiction recovery, and all veterans. Statewide, as many as 330,000 New Jersey residents are at risk of losing Medicaid under the new requirements, and an estimated 47,000 residents are at risk of losing SNAP benefits in any given month. Most affected individuals are working, participating in treatment or training, or eligible for an exclusion or exemption; their principal risk is procedural disenrollment caused by incomplete or untimely documentation.

NJRC's primary response is a structured Reentry Workforce Readiness Program combining workforce preparation, digital literacy, and career development, culminating in an industry-recognized credential. NJRC will seek recognition of the program as an approved SNAP Employment and Training component for SNAP recipients and, for Medicaid-only participants, as a State-approved, ETPL-listed qualifying Medicaid work program under Section 71119 of Public Law 119-21 and 42 C.F.R. § 435.552.

NJRC will pursue the approvals and functions necessary to ensure its program qualifies toward SNAP and Medicaid requirements under H.R. 1, including: certification as a SNAP E&T third-party provider within New Jersey's federally approved State Plan; Private Career School approval and placement on the Eligible Training Provider List (ETPL) to support WIOA eligibility and Medicaid recognition; designation supporting Medicaid community engagement under Section 71119; and benefits enrollment and navigation certification for NJRC staff.

For participants requiring additional qualifying activity at a later redetermination, NJRC will provide a secondary work-program pathway through its Training Center, where courses are delivered by certified ETPL providers. Participation will be verified through ETPL provider reporting and Salesforce® records of class, laboratory, and ancillary hours.

NJRC's support programs, including Reentry Outreach, Community Resource Center, Veterans Justice Outreach Initiative, Women's Project, Espiritu Latino, and the Ambassador Program, will facilitate access, pre-release documentation, benefits navigation, bilingual services, veteran-specific records, and peer engagement. These programs do not replace qualifying activity but remove barriers to enrollment, documentation, participation, and completion.

NJRC will serve as a trusted community partner by documenting participant engagement and, where authorized, transmitting verified information to support the State's ex parte eligibility verification and renewal processes. NJRC's role is supportive and does not substitute for the State's statutory authority to determine eligibility.

Preventing procedural disenrollment is both a fiscal and public-safety priority. People who lose Medicaid do not become healthier or less costly to the State; unmet needs shift to uncompensated emergency care and increase the risks of treatment interruption, relapse, homelessness, and reincarceration. By preserving access to healthcare, treatment, and stabilizing supports, NJRC reduces these downstream risks, as reflected in a participant reincarceration rate of 14.01 percent, compared with 22.0 percent statewide.

Accordingly, NJRC recommends that the State formally approve the Reentry Workforce Readiness Program through the SNAP E&T, WIOA/ETPL, and Medicaid community-engagement pathways; support benefits-navigation certification for NJRC staff; and integrate NJRC's documentation infrastructure into the State's verification and renewal processes.

I. Introduction: NJRC and the Reentry Population

A. Organizational Mission and Scope

The New Jersey Reentry Corporation (NJRC) is a nonprofit 501(c)(3) organization whose mission is to transform the lives of persons returning from addiction treatment, incarceration, or the theater of combat. Established in 2014 following a successful pilot model in Hudson County, NJRC now operates multiple sites throughout northern and central New Jersey and has served 31,651 participants, helped secure 14,246 jobs for work-eligible participants, and served 2,114 veterans.

NJRC's comprehensive wraparound services include addiction treatment and medication-assisted treatment (13,012 treatment referrals and 6,754 MAT connections); medical, dental, and psychiatric healthcare (12,964 medical-treatment and 9,310 behavioral-health connections); federal, state, and county social services, including 24,339 Medicaid enrollments; case management; employment assistance and job training (2,365 participants trained); legal services, including expungements and document restoration; and veteran-specific support, including coordination with the U.S. Department of Veterans Affairs.

B. Why H.R. 1 Is a Critical Compliance Issue for NJRC

NJRC participants have a recidivism rate of 14.01 percent compared to 22.0 percent statewide in New Jersey. This success depends on the continuity of healthcare and nutritional support. Loss of Medicaid disrupts MAT, psychiatric care, and primary healthcare. Loss of SNAP creates nutritional insecurity that destabilizes recovery and reintegration. H.R. 1 therefore represents a direct threat to the public-safety outcomes NJRC has achieved.

II. Legislative and Regulatory Framework of H.R. 1

A. Overview of Public Law 119-21

H.R. 1 was enacted as Public Law 119-21 on July 4, 2025. The law modifies Medicaid and SNAP eligibility, work, and verification requirements and is projected to reduce federal Medicaid spending by approximately \$911 billion and SNAP spending by approximately \$187 billion over ten years. CMS issued the implementing interim final rule for the Medicaid community-engagement provisions on June 3, 2026, effective July 31, 2026 (CMS-2454-IFC).

Two statutory provisions are central to NJRC's compliance approach. Section 71119 establishes the Medicaid community-engagement requirement, including the 80-hour monthly standard, qualifying activities, exclusions, and exceptions (Public Law 119-21, § 71119; 42 C.F.R. § 435.552). Section 10102 revises the SNAP work requirements, including the applicable age

range, qualifying work-program activities, and exemptions (Public Law 119-21, § 10102; Food and Nutrition Act of 2008, § 6(o), 7 U.S.C. § 2015(o)).

New Jersey Medicaid impact: More than 1.85 million New Jersey residents are enrolled in NJ FamilyCare. NJDHS projects that 165,000 to 330,000 residents could lose coverage annually once requirements are fully implemented, with potential federal funding losses reaching \$3.3 billion annually by State Fiscal Year 2030.

New Jersey SNAP impact: More than 800,000 New Jersey residents rely on SNAP. H.R. 1 could reduce monthly SNAP participation by as many as 47,000 people, with annual benefit reductions projected to reach approximately \$280 million.

B. SNAP Changes Under H.R. 1

Key SNAP changes effective November 2025 include:

- Age Range Expansion: ABAWD work requirements expanded from ages 18–54 to ages 18–64.
- Dependent Child Age: The caregiver exemption threshold was lowered from children under age 18 to children under age 14.
- Removed Categorical Exemptions: Prior automatic exemptions for veterans, persons experiencing homelessness, and youth aging out of foster care have been eliminated.
- 80-Hour Monthly Threshold: ABAWD participants must document at least 80 hours of qualifying activity per month.
- State Administrative Cost Shift: Beginning FY2027, the federal contribution to SNAP administrative costs drops from approximately 50 percent to 25 percent.

C. Medicaid Changes Under H.R. 1

Key Medicaid changes effective January 1, 2027, include:

- Community Engagement Requirement: States must implement a monthly 80-hour community engagement requirement for eligible Medicaid expansion individuals aged 19–64.
- Six-Month Redeterminations: Eligibility must be redetermined every six months for expansion populations.
- State Outreach Mandate: States must conduct enrollee outreach between June 30 and August 31, 2026, via mail plus at least one additional channel.
- Good Faith Exemptions: States unable to meet the January 1, 2027 deadline may request a good faith exemption, extendable through December 31, 2028.
- Retroactive Coverage Reduced: Expansion enrollees are now entitled to only one month of retroactive coverage, down from the previous 90-day standard.

D. The SNAP Exclusion and the Income Alternative

Two features of the rule shape NJRC's approach. First, an individual who is a member of a household receiving SNAP and subject to a SNAP work requirement is a specified excluded individual and is not subject to the Medicaid community-engagement requirement. This makes the SNAP E&T pathway the most direct route to protecting Medicaid for NJRC participants subject to the SNAP work requirement.

NJRC will also seek State approval of its program as a qualifying Medicaid community-engagement activity for participants subject to the Medicaid requirement but not the SNAP work requirement.

Second, H.R. 1 provides an alternative source of income. An individual earning at least \$580 per month (the federal minimum wage multiplied by 80 hours) may satisfy the community-engagement requirement through income alone. NJRC screens participants for this pathway and assists with income documentation where applicable.

III. Impact Analysis: The Reentry Population at Risk

A. Three High-Risk Groups

1. Returning Citizens: The Incarceration Lookback

Individuals released from prison or jail face a unique and legally recognized documentation gap. Under H.R. 1, a person who was an inmate of a public institution during the three months before the first day of a calendar month may be exempted from Medicaid community-engagement requirements for that month. NJRC's compliance approach addresses the rolling quarterly exemption tied to release dates, the establishment of identity and government documentation for those leaving incarceration, and screening for the post-incarceration exemption period. Former foster youth, who are exempt up to age 26 and are over-represented in the incarcerated population but under-identified in Medicaid systems, are also screened for that exemption.

2. Persons in Recovery: Clinical Treatment Exemptions

Persons with substance use disorder (SUD), receiving addiction treatment, enrolled in MAT programs, participating in mental health treatment, or determined to be medically frail may qualify for Medicaid exemptions, exclusions, or hardship provisions under H.R. 1. P.L. 119-21 defines a medically frail individual to include persons who are blind or disabled, with a substance use disorder, with a disabling mental disorder, or with a serious medical condition. SNAP separately provides a disability and inability-to-work exemption.

A significant interpretive question affects this group: under the CMS interim final rule, the medical-frailty exemption requires a showing that the condition prevents the individual from working, not merely that the individual has the condition or is in treatment. NJRC's clinical partnerships are structured to connect participants to providers who can complete necessary evaluations and documentation for those seeking this exemption.

3. Veterans: VA Documentation and Disability Coordination

Veterans served by NJRC face the elimination of the prior automatic SNAP veteran exemption under H.R. 1. Going forward, veterans must qualify through an applicable category such as disability, medical frailty, substance use disorder, mental health condition, homelessness, hospitalization, caretaker status, or another hardship provision. For Medicaid, a veteran with a total disability rating may qualify for a specific exclusion, but a partial disability rating alone will not satisfy that standard. NJRC assists veterans in obtaining service records, discharge documents, VA award letters, rating decisions, and medical documentation necessary to establish an applicable exemption.

C. The Documentation and Compliance Gap

The central compliance risk under H.R. 1 is not legal ineligibility; it is failure to document and verify. Individuals who are working, participating in treatment, or legally entitled to an exemption may nevertheless lose benefits if required evidence is not collected, classified, submitted, and verified within the applicable timeframe.

This risk is especially acute for the reentry population because correctional facilities, treatment providers, veterans-service organizations, and public agencies each hold portions of the information needed to establish compliance, but no single entity is ordinarily responsible for assembling the complete record. Physicians and treatment professionals are trained to diagnose and provide care, not to interpret Medicaid and SNAP work requirements or determine whether clinical documentation satisfies federal exemption and verification standards.

NJRC fills this coordination gap by developing dedicated capacity for H.R. 1 compliance, documentation, and verification. NJRC screens participants separately for Medicaid and SNAP requirements; identifies applicable exclusions and exemptions; collects records from relevant systems; documents qualifying activity; monitors renewals and notices; and transmits verified information to the appropriate State agency. NJRC does not replace the State's eligibility or verification authority; it provides the specialized, participant-level infrastructure necessary to ensure the State receives complete, timely, and auditable information.

IV. NJRC Operational Compliance Framework

NJRC implements a structured compliance framework that begins at intake and routes each participant to the correct H.R. 1 pathway. Participants are screened for Medicaid and SNAP enrollment, applicable work requirements, employment or income compliance, and available exclusions or exemptions. Participants who require a qualifying activity are enrolled promptly in the Reentry Workforce Readiness Program detailed in Section V of this report. Participants who are already compliant through employment, income, education, or another approved activity, or who qualify for an exclusion or exemption, receive documentation and benefits-navigation support without being required to complete unnecessary program hours.

The framework addresses the following key compliance functions:

1. Benefits enrollment, reactivation, and initial H.R. 1 screening under both Medicaid/NJ FamilyCare and SNAP.
2. Separate screening for Medicaid and SNAP requirements and placement into the appropriate compliance pathway, including qualifying program enrollment, income verification, or exemption documentation.
3. Documentation of correctional release dates and related records to establish any applicable incarceration lookback period under the Medicaid exemption.
4. Collection and preservation of clinical, treatment, veteran, and other records needed to support exemption, exclusion, exception, or hardship claims.
5. Enrollment in qualifying community engagement activities for participants who must meet activity hours.
6. Monthly tracking and recording of hours, attendance, employment, training completions, and all proof of qualifying activity or continued exemption eligibility.
7. Monitoring and timely response to all Medicaid, NJ FamilyCare, SNAP, and county notices, including assistance submitting proof within the CMS-required 30-day notice-and-cure period and fair-hearing representation where needed.

A. Documentation Infrastructure

NJRC maintains participant records in a secure, organized, and auditable case management system. Compliance documentation, including exemption records, activity logs, notice responses, and benefit status, is preserved at the individual participant level. This infrastructure enables NJRC to demonstrate compliance, support fair-hearing appeals, and provide audit-ready documentation to State agencies on request.

Consistent with the CMS interim final rule, the State of New Jersey, not NJRC, is the verifier of community-engagement compliance, and the State must first attempt verification on an ex parte basis using reliable data it already holds before requesting information from an individual. NJRC's documentation infrastructure is designed to feed verified participation data into a State-recognized data source and serve as audit-ready backup documentation, rather than to function as independent proof of compliance.

B. The 30-Day Notice-and-Cure Standard

CMS guidance under H.R. 1 requires that when Medicaid compliance cannot be confirmed, the State must provide written notice, a 30-day response period, and fair-hearing rights before taking adverse action. NJRC tracks all incoming notices, assigns each to a case manager, and ensures that documents are submitted within the required response window. NJRC strongly urges all participants to bring any Medicaid, NJ FamilyCare, SNAP, or county notice to NJRC immediately upon receipt.

V. NJRC Programs as Qualifying Community Engagement

A critical element of NJRC's compliance strategy is the ability to connect participants to activities that both satisfy H.R. 1 and advance reentry success. Under the CMS interim final rule, a 'work program' is defined by strict reference to section 6(o)(1) of the Food and Nutrition Act and is limited to programs under Title I of the Workforce Innovation and Opportunity Act (WIOA); Trade Act programs; State or political-subdivision employment and training programs that meet standards approved by the Governor, including SNAP Employment and Training; veterans' employment and training operated by the U.S. Department of Labor or Veterans Affairs; and designated workforce partnerships.

Accordingly, NJRC does not assert that it may self-designate its program as a qualifying activity. NJRC will instead apply for two formal recognitions from the State: certification as an approved SNAP Employment and Training (E&T) program within New Jersey's federally approved SNAP E&T State Plan, and listing on the Eligible Training Provider List (ETPL) as a certified provider for the same credential-bearing program.

A. The Reentry Workforce Readiness Program

The Reentry Workforce Readiness Program is a structured course that provides workforce preparation, digital literacy, and career development, culminating in an industry-recognized credential. The program is designed to provide the necessary amount of qualifying activity to satisfy both SNAP work requirements and Medicaid community-engagement requirements under H.R. 1.

B. Program Components

The Reentry Workforce Readiness Program consists of documented hours of actual participation completed within a single calendar month. The curriculum prepares participants for an industry-recognized certification exam while allocating hours among SNAP E&T-approved assessment, education, training, job-search, and work-experience components.

Only completed and verified participation hours count toward the total. Case management, legal services, benefits assistance, identification services, and clinical coordination will be provided concurrently by NJRC staff but will not be included in the curriculum hours. These supportive services address barriers to participation and help document applicable medical, treatment-based, or other exemptions.

C. State Recognition and Approvals

NJRC will seek the State approvals necessary for the Reentry Workforce Readiness Program to serve participants under the appropriate SNAP or Medicaid authority. Every participant completes the same curriculum and follows the same schedule. The participant's benefit status determines only the legal authority, funding source, and reporting channel through which the hours are recognized.

NJRC will pursue the following recognitions and operational functions:

Recognition / Function	Purpose and Compliance Effect
SNAP E&T Third-Party Provider	Establishes the program as a qualifying SNAP work program under Section 10102 and supports recognition under Section 71119's Medicaid community-engagement framework.
WIOA and ETPL Workforce-Development Partner	Opens access to workforce-development funding and establishes a credential-bearing work-program pathway for Medicaid participants who do not receive SNAP.
Medicaid Community-Engagement Support	Supports the State's ex parte verification process. No Medicaid provider enrollment is required because NJRC does not bill Medicaid for clinical services.
Benefits Enrollment and Navigation Certification	Strengthens accuracy and reliability of eligibility screening, exemption documentation, and benefits-retention services.

D. Mapping of NJRC Programs to Qualifying Activities

NJRC operates several programs that support compliance with H.R. 1. The following describes how each maps to qualifying-activity categories under the law.

NJRC Program	Role in H.R. 1 Compliance
Reentry Workforce Readiness Program	Primary qualifying-activity pathway. Recognized under two authorities: as an approved SNAP E&T component for SNAP recipients, and as a

	qualifying Medicaid work program under 42 C.F.R. § 435.552 for Medicaid-only participants.
Training & Credentialed Pathways (Second Pathway)	For participants needing additional documented hours at six-month renewal: credentialed training through the Governor's Reentry Training & Employment Center, a county college, or an approved workforce partner, qualifying within the WIOA Title I / Governor-approved E&T framework.
Veterans Justice Outreach Initiative	Supports veteran-specific documentation, VA coordination, and exemption screening. Veterans meet the 80-hour requirement through the Workforce Readiness Program; this initiative coordinates services and is not an alternative qualifying pathway.
Women's Project	Provides wraparound reentry, employment, healthcare, and trauma services alongside the Workforce Readiness Program; not an alternative qualifying pathway.
Espíritu Latino	Provides bilingual access to reentry services and supports program participation; not an alternative qualifying pathway.
Ambassador Program	Peer mentorship and community engagement; Ambassadors meet the 80-hour requirement through the Workforce Readiness Program, like all other participants.
Reentry Outreach Pre-Release Program	Pre-enrollment documentation is established before release, including incarceration-lookback exemption documentation, so that benefit verification is preserved from day one and the participant can enter qualifying activity immediately upon release.
Community Resource Center	Additional point of entry for court-involved individuals, including State Parole Board referrals. Participants are eligible for the same qualifying programs and credential pathways available through NJRC's service sites.
NJRC & HCCC Summer Training Institute	Postsecondary education pathway in partnership with Hudson County Community College. Half-time or greater enrollment satisfies the Medicaid requirement; lesser hours stack with other activities. Enrollment verified through the National Student Clearinghouse.

VI. Recommendations to the Governor and the Legislature

NJRC respectfully submits the following recommendations for a State H.R. 1 implementation model that protects eligible participants, meets federal requirements, and sustains the public-safety and economic benefits of effective reentry.

Recommendation 1: Prioritize Reentry-Population Outreach in State Notices

New Jersey's H.R. 1 enrollee outreach, which must be conducted between June 30 and August 31, 2026, should explicitly include NJRC and partner reentry organizations as trusted intermediaries for outreach to court-involved persons. Standard mailing addresses alone are

insufficient for a population experiencing housing instability. Multi-channel outreach through case managers, correctional facilities, and treatment providers is essential.

Recommendation 2: Establish Clear Incarceration Lookback Documentation Standards

The New Jersey Department of Human Services, in coordination with the Department of Corrections and county jails, should establish standardized protocols for releasing incarceration records that satisfy H.R. 1's Medicaid lookback documentation requirements, ensuring timely and consistent access for reentry service providers.

Recommendation 3: Designate NJRC as a SNAP Employment and Training Provider

New Jersey should approve NJRC as a SNAP Employment and Training provider and include the Reentry Workforce Readiness Program as an approved component of the State's SNAP E&T Plan. The State should also confirm that SNAP participants subject to the SNAP work requirement are excluded from the separate Medicaid community-engagement requirement and are not required to document the same qualifying hours twice.

NJRC further requests recognition of the program as a Justice-Involved Employment Pathway developed in coordination with NJDHS, NJDOL, the State Parole Board, community colleges, and workforce partners.

Recommendation 4: Support NJRC's Approval and ETPL Listing

Following SNAP E&T approval, New Jersey should support NJRC's application for Private Career School authorization and placement of the Reentry Workforce Readiness Program on the Eligible Training Provider List.

ETPL listing would provide a formal workforce-development structure for NJRC's credentialed training programs and support continued access to certified providers, industry-recognized credentials, and eligible workforce funding. The State should also recognize the program as a qualifying Medicaid work program for Medicaid-only participants under Section 71119 of Public Law 119-21 and 42 C.F.R. § 435.552.

Recommendation 5: Certify NJRC as a Specialized H.R. 1 Benefits-Enrollment and Compliance Provider

After establishing NJRC's SNAP E&T and workforce-training credentials, the Department of Human Services should certify NJRC as New Jersey's first and only provider specifically equipped to meet the H.R. 1 compliance and benefits-navigation needs of the reentry, recovery, and veteran populations.

The State should provide designated NJRC staff with formal training and certification in SNAP enrollment, SNAP E&T requirements, Medicaid and NJ FamilyCare eligibility, Medicaid community-engagement requirements, exemptions and exclusions, renewals, Marketplace coverage, and veterans' benefits.

Certified NJRC staff should be authorized to assist participants with applications, renewals, exemption documentation, qualifying-activity verification, responses to notices, and referrals for

fair-hearing assistance. This designation would establish a specialized and accountable access point for individuals whose eligibility frequently depends upon correctional, treatment, employment, disability, housing, and veterans' records, while enabling NJRC to provide the State with timely and auditable compliance documentation.

Recommendation 6: Designate NJRC as a SNAP E&T Provider and Support ETPL Listing

Consistent with the CMS interim final rule, NJRC respectfully requests that the State:

1. Approve NJRC as a SNAP Employment and Training provider and include the Reentry Workforce Readiness Program in New Jersey's SNAP E&T State Plan.
2. Confirm that SNAP participants subject to the SNAP work requirement are not separately subject to the Medicaid community-engagement requirement.
3. Recognize the program as a coordinated Justice-Involved Employment Pathway developed with NJDHS, NJDOL, the State Parole Board, community colleges, and workforce partners.
4. Approve the same program as a qualifying Medicaid work program for Medicaid-only participants and support NJRC's Private Career School approval and ETPL listing.
5. Continue supporting NJRC's ETPL-based credentialed training through certified providers.

Recommendation 7: Protect Substance Use Disorder Treatment as a Qualifying Exemption Category

New Jersey should adopt the most protective available interpretation of the H.R. 1 medically frail and substance use disorder exemption standards. Participation in licensed MAT programs, IOP, residential treatment, and outpatient behavioral health care should be accepted as a basis for a Medicaid community-engagement exemption, with treatment-provider letters serving as sufficient documentation. New Jersey should also recognize and support structured recovery services as essential components of sustained treatment and incorporate them into the State's exemption documentation and continuity-of-care protocols.

Recommendation 8: Provide State Funding for H.R. 1 Compliance Infrastructure at Reentry Organizations

The incremental administrative burden of H.R. 1 compliance, including screening, documentation, monthly tracking, notice response, and fair-hearing support, represents a substantial new cost that community-based reentry organizations are not currently funded to absorb. NJRC respectfully requests that the Legislature consider dedicated State appropriations or Medicaid administrative matching funds to support community-based compliance infrastructure at reentry service providers.

Recommendation 9: Align Medicaid and SNAP Screening to Streamline Determinations

Because Medicaid and SNAP have different exemption categories, timelines, and documentation standards, New Jersey should establish a coordinated interagency screening protocol that enables reentry service providers to conduct a single intake assessment producing separate yet coordinated Medicaid and SNAP compliance analyses.

Recommendation 10: A Full Partnership to Protect Court-Involved New Jerseyans

NJRC is grateful for the leadership of Governor Sherrill and her Administration, whose commitment to reentry, recovery, and the welfare of New Jersey's veterans has created the opportunity for the partnership this report proposes.

For more than a decade, NJRC has had the privilege of serving court-involved persons, individuals in recovery, and veterans. Through that work, we have learned how essential Medicaid and SNAP are to stability, treatment, and successful reentry, and how difficult it can be to assemble the correctional, employment, medical, DMV, and other records required under H.R. 1. NJRC respectfully offers its experience, trusted relationships, and Salesforce® documentation infrastructure to help the population it already serves maintain access to these critical benefits.

NJRC offers its statewide footprint, trusted relationships with the justice-involved community, and case management and data infrastructure to the Department of Human Services and the Department of Labor and Workforce Development.

NJRC commits to enrolling and documenting a significant number of reentry participants in Medicaid and to serving as a verification and documentation partner for DHS, feeding monthly compliance data into the State's ex parte verification process. NJRC also requests inclusion in the H.R. 1 stakeholder advisory processes being convened by the Division of Medical Assistance and Health Services, the Medicaid Assistance Advisory Council, and the Beneficiary Advisory Council.

Finally, NJRC notes that volunteer and community-service hours can satisfy the 80-hour requirement, an important pathway for participants with caregiving responsibilities or transportation barriers who cannot immediately enter employment. NJRC will incorporate structured volunteer placements into its program so this option is available and documented for participants who need it.



VII. Conclusion

H.R. 1 creates a substantial risk of Medicaid and SNAP loss for the reentry population NJRC serves. As many as 330,000 New Jersey residents are at risk of losing Medicaid, and as many as 47,000 could lose SNAP benefits in any given month. Many will be working, participating in treatment or training, or eligible for an exclusion or exemption, but may nevertheless lose coverage because they cannot produce complete and timely documentation.

NJRC's response is a structured compliance and workforce system. Participants who need qualifying hours may enter the Reentry Workforce Readiness Program, which combines assessment, work-readiness training, education, a supervised job search, and work experience, culminating in an industry-recognized credential. NJRC will seek approval of the program through SNAP E&T for SNAP participants and, for Medicaid-only participants, through Private Career School approval, ETPL listing, and State recognition as a qualifying Medicaid work program under Section 71119 and 42 C.F.R. § 435.552.

Participants requiring additional qualifying activity may enter a secondary pathway through NJRC training facilities, county colleges, or approved workforce partners through credentialed programs in industry-recognized fields. NJRC's specialized initiatives will support access, documentation, benefits navigation, and successful participation without being treated as substitutes for qualifying activity.

NJRC therefore recommends that the State approve the Reentry Workforce Readiness Program within New Jersey's SNAP E&T State Plan; support NJRC's Private Career School approval and ETPL listing; recognize the program as a qualifying Medicaid work program for participants who do not receive SNAP; support benefits-enrollment and navigation certification for NJRC staff; and establish a formal process for NJRC to transmit authorized participation and exemption documentation into the State's verification and renewal systems.

NJRC will serve as a trusted community partner by documenting participant engagement and, where authorized, transmitting verified information to support the State's ex parte eligibility verification and renewal processes. NJRC's role is supportive and does not substitute for the State's statutory authority to determine eligibility. Its documented case management infrastructure provides the participant-level documentation and audit capacity necessary to perform this function.

Preventing procedural disenrollment is also a matter of cost avoidance and public safety. People who lose Medicaid do not become healthier or less costly to the State; their unmet needs shift to uncompensated emergency care and increase the risks of treatment interruption, relapse, homelessness, and reincarceration. NJRC participants have a recidivism rate of 14.01 percent, compared with 22.0 percent statewide, demonstrating the public value of sustained healthcare, nutrition, employment, and reentry support.

NJRC respectfully seeks a formal partnership with the Governor, the Legislature, NJDHS, NJDOL, the Department of Corrections, the State Parole Board, the courts, county colleges, healthcare providers, and workforce partners to implement this framework and to prevent eligible New Jersey residents from losing essential benefits due to documentation barriers.

We are most grateful for Governor Sherrill's leadership and her personal understanding of those we serve. From advancing reentry initiatives in the U.S. Attorney's Office to supporting

incarcerated women and honoring fellow veterans in Congress, her record reflects a longstanding commitment to dignity, opportunity, and successful reentry.

NJRC thanks, for their leadership, partnership, and support: Lieutenant Governor Dr. Dale G. Caldwell; Senate President Nicholas P. Scutari; Senate Majority Leader M. Teresa Ruiz; Senator Joseph F. Vitale, Chair of the Senate Health, Human Services and Senior Citizens Committee; Speaker Craig J. Coughlin; Attorney General Jennifer Davenport; NJDHS Commissioner Dr. Stephen Cha; NJDOL Commissioner Kevin Jarvis; NJMVC Commissioner Rosalie Johnson; NJDOC Commissioner Victoria Kuhn; NJDHS Deputy Commissioner Valerie Mielke; Assistant Commissioner Greg Woods; New Jersey State Parole Board Chairman Samuel J. Plumeri, Jr.; and our H.R. 1 Implementation Conference co-host and sponsor, University Hospital President and CEO Carole Johnson.

With the continued partnership of these leaders, NJRC is confident that New Jersey can implement H.R. 1 in a manner that protects its most vulnerable residents while honoring the State's commitment to dignity, recovery, and successful reentry.

VIII. Appendix: Key Dates and Reference Resources

A. Critical H.R. 1 Implementation Timeline

Date	Milestone
July 4, 2025	H.R. 1 / P.L. 119-21 signed into law.
November 2025	SNAP ABAWD work-requirement changes take effect (ages 18–64; child threshold lowered to under 14; veteran and homeless exemptions removed).
December 8, 2025	CMS issues initial Medicaid community-engagement guidance.
June 1, 2026	Statutory HHS deadline to issue an interim final rule.
June 3, 2026	CMS publishes the interim final rule (CMS-2454-IFC).
June 30 – Aug 31, 2026	State Medicaid agencies must conduct outreach to enrollees regarding community-engagement requirements.
July 31, 2026	CMS interim final rule (CMS-2454-IFC) effective date; public comment period closes.
January 1, 2027	Medicaid community-engagement requirements effective; six-month redeterminations begin for the expansion population.
December 31, 2028	Latest possible date for good-faith State exemptions from the community-engagement requirement.

B. Reference Resources

Federal Guidance and Policy

- CMS Interim Final Rule (CMS-2454-IFC), Federal Register, June 3, 2026.
- CMS Informational Bulletin, December 8, 2025:
[medicaid.gov/federal-policy-guidance/downloads/cib12082025.pdf](https://www.medicaid.gov/federal-policy-guidance/downloads/cib12082025.pdf)
- Center for Health Care Strategies, A Summary of Federal Medicaid Work Requirements:
[chcs.org](https://www.chcs.org)
- Center on Budget and Policy Priorities, Coordinating Medicaid and SNAP Work Requirements: [cbpp.org](https://www.cbpp.org)
- SNAP Employment and Training components: 7 C.F.R. 273.7.

Sources for Federal Spending Estimates

- Congressional Budget Office, Cost Estimate and Budgetary Effects of H.R. 1:
[cbo.gov/publication/61486](https://www.cbo.gov/publication/61486)
- KFF, Allocating CBOs' Estimates of Federal Medicaid Spending Reductions Across the States.
- Congressional Research Service, Health Coverage Provisions in the One Big Beautiful Bill Act (CRS R48569).
- Peter G. Peterson Foundation, How Did the One Big Beautiful Bill Act Affect Federal Spending?

State Eligibility and Compliance Portals

- NJ FamilyCare Checker: njfcchecker.nj.gov/screener/
- NJ FamilyCare Application: njfamilycare.dhs.state.nj.us/apply.aspx
- Stay Covered NJ: nj.gov/humanservices/dmahs/staycoverednj/coverage/
- MyNJHelps (SNAP / WorkFirst NJ): mynjhelps.gov
- NJ SNAP Information: nj.gov/humanservices/njsnap/
- County Social Services Directory: nj.gov/humanservices/dfd/counties/

C. June 9, 2026 Statewide H.R. 1 Implementation Conference

On June 9, 2026, NJRC and University Hospital will convene a statewide half-day policy conference at University Hospital, 150 Bergen Street, Newark, New Jersey, from 8:30 a.m. to 12:30 p.m. The conference, “H.R. 1: Protecting Health and Nutrition Support for the Reentry Community,” represents a critical step in New Jersey's implementation planning.

Conference Focus

The conference addresses the operational standards New Jersey will need to prevent eligible individuals from losing Medicaid or SNAP due to incomplete records, missed notices, unclear exemption standards, or fragmented documentation systems. The program examines H.R. 1's regulatory architecture, Medicaid eligibility operations, clinical exemptions, and the documentation infrastructure necessary to protect medically vulnerable participants.

Confirmed Speakers and Participants

Speaker	Organization / Role
Dr. Ije Akunyili	Chief Medical Officer, Rutgers New Jersey Medical School
Phil Alagia	Chief of Staff, Essex County / Essex Correctional Facility

Dr. Stephen Cha	Acting Commissioner, NJ Department of Human Services
Amaya Diana	Policy Analyst, Program on Medicaid and the Uninsured, KFF
Allison Hamblin	President & CEO, Center for Health Care Strategies
Cara Henley	Regional Director, Health Management Associates
Carole Johnson	President & CEO, University Hospital
Dr. Petros Levounis	Professor of Psychiatry, Rutgers NJMS; Former President, American Psychiatric Association
Frank Mazza	Director, Hudson County Department of Family Services and Reintegration
Senator M. Teresa Ruiz	Senate Majority Leader, New Jersey
Wardell Sanders	President, New Jersey Association of Health Plans
Kinda Serafi	Managing Director, Manatt Health
Senator Joseph Vitale	Chair, Senate Health, Human Services & Senior Citizens Committee





