CMS Releases Guidance to States on Implementation of the One Big Beautiful Bill Act 6-Month Medicaid Redeterminations – Includes AI/AN Exemption

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written by Alex Sampson | May 13, 2026

The Centers for Medicare and Medicaid Services (CMS) recently released a State Medicaid Director letter (SMDL) on implementing the eligibility redeterminations in Section 71107 of the *One Big Beautiful Bill Act*, which is also known as the "Working Families Tax Cut Legislation." The SMDL includes a summary of the exemptions for American Indian and Alaska Native people from the 6-month renewal requirement (see page 4). NCUIH continues to urge CMS to continue to consult with Tribes to ensure proper implementation of exemptions for American Indian and Alaska Native people.

Exemptions for American Indians and Alaska Natives and Treatment of Other Eligibility Groups
The 6-month renewal requirement in section 1902(e)(14)(L) of the Act does not apply to the individuals listed below.

- Certain American Indians and Alaska Natives described in section 1902(xx)(9)(A)(ii)(II) of the Act[8] who are enrolled under the state plan in the Medicaid adult group described at section 1902(a)(10)(A)(i)(VIII) of the Act (these individuals are exempted under section 1902(e)(14)(L)(ii) of the Act);
- Certain American Indians and Alaska Natives described in section 1902(xx)(9)(A)(ii)(II) of the Act[9] who are described in section 1902(a)(10)(A)(i)(VIII) of the Act and who are enrolled in coverage "under a waiver" of the state plan that provides coverage equivalent to MEC to all individuals described at section 1902(a)(10)(A)(i)(VIII) of the Act (these individuals are also exempted under section 1902(e)(14)(L)(ii) of the Act);
- Individuals enrolled in other MAGI-based eligibility groups (including individuals described in section 1902(a)(10)(A)(i)(VIII) in a state that does not cover the entire section 1902(a)(10)(A)(i)(VIII) group under its state plan or a section 1115 demonstration); and
- Individuals enrolled in non-MAGI-based eligibility groups.

In accordance with 42 C.F.R. § 435.916 (2023), states must continue to conduct renewals once every 12 months for the American Indians and Alaska Natives discussed above. Similarly, states must continue to conduct renewals once every 12 months for all individuals enrolled in a MAGI-based eligibility group other than the two groups discussed above that are subject to the 6-month renewal requirement, and at least once every 12 months for individuals enrolled in non-MAGI based eligibility groups. For individuals enrolled in other MAGI-based eligibility groups, section 1902(e)(14)(L) of the Act neither requires 6-month renewals, nor provides an option for states to conduct renewals once every 6 months for such individuals.

For the purposes of this SMDL, we refer to the individuals subject to 6-month renewals under either the state plan or a demonstration collectively as the "adult expansion group."

[8] American Indians and Alaska Natives exempt from the 6-month renewal requirement are: an Indian or Urban Indian (as such terms are defined in paragraphs (13) and (28) of section 4 of the Indian Health Care Improvement Act); a California Indian described in section 809(a) of such Act; or those who have otherwise been determined eligible as an Indian for the Indian Health Service under regulations promulgated by the Secretary.
[9] See Footnote 8.

- CMS SMDL

Additional Information

On July 4, 2025, the President signed the One Big Beautiful Bill Act (OBBBA) into law. The OBBBA is a major bill that delivers many elements of President Trump's legislative agenda, including new requirements for access to Medicaid and SNAP. Fortunately, Indians, Urban Indians, California Indians, and individuals determined eligible as an Indian for the Indian Health Service under regulations promulgated by the Secretary are exempted from the Medicaid requirements in the OBBBA and included in exemptions for the Supplemental Nutrition Assistance Program (SNAP) work requirements.

- Resource: Overview of the One Big Beautiful Bill Act Exemptions for American Indian and Alaska Native People (November 25, 2025)