NCUIH Releases Updated Resource on the Impact of Medicaid on Health Care for American Indian and Alaska Native People

Category: Policy Blog
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Washington, DC, August 14, 2026 — The National Council of Urban Indian Health (NCUIH) has released an updated resource, Overview of the Impact of Medicaid on Health Care for American Indian and Alaska Native People, detailing Medicaid's role in American Indian, Alaska Native, and Urban Indian health care and the changes to the program taking effect under the One Big Beautiful Bill Act (OBBBA). This report updates NCUIH's March 2025 Medicaid resource with new 2023 enrollment data and an overview of the OBBBA exemption protecting AI/AN beneficiaries. For a quick-reference summary of the OBBBA changes, see NCUIH's related resource, Medicaid is Changing.

Medicaid Is Critical to Health Care for American Indian and Alaska Native People

The federal government has a trust responsibility to provide federal health services to maintain and improve the health of AI/AN and Urban Indian people. Medicaid, a joint federal-state program, is essential to fulfilling that responsibility for eligible AI/AN beneficiaries. In 2023:

- 2.7 million AI/AN people were enrolled in Medicaid nationwide.
- 24% of AI/AN adults ages 18-64 were enrolled in Medicaid.
- 23% of AI/AN adults over 64 were enrolled in Medicaid.
- 49% of AI/AN children ages 0-18 were enrolled in Medicaid.

Urban Indian Organizations Are Necessary Medicaid Providers

Urban Indian Organizations (UIOs) are a critical access point for AI/AN Medicaid beneficiaries, particularly given that the majority of the AI/AN population lives in urban areas.

- 1.9 million AI/AN people were enrolled in Medicaid in states with UIOs.
- 59% of AI/AN people receiving care at UIOs were Medicaid beneficiaries.
- 8 out of the top 10 states with the largest number of AI/AN Medicaid beneficiaries are served by UIOs, including California, Oklahoma, Arizona, Texas, New Mexico, New York, Washington, and Illinois.

Medicaid Is Changing Under the One Big Beautiful Bill Act

Starting in 2027, most Medicaid enrollees will face new work requirements, more frequent eligibility redeterminations, and new cost-sharing charges under the OBBBA. Indians, Urban Indians, California Indians, and individuals otherwise determined eligible for the Indian Health Service are exempt from these changes:

- No Work Requirement: No work, school, or volunteer hour requirement to keep Medicaid.
- 12-Month Renewal: The current 12-month renewal cadence is retained, rather than the new 6-month redetermination cycle for expansion adults.

- Cost-Sharing Protection: No new cost sharing for services at an Indian health care provider or through qualifying referred care.

Note: This protection applies specifically to care received at an Indian health care provider or through a qualifying referral from one. It does not extend to cost sharing for Medicaid services received elsewhere.

Some states have already begun implementing these changes ahead of the national deadline. UIOs and patients should confirm their state's specific timeline with their state Medicaid agency.

Call to Action

Primary Ask: Ensure Proper Implementation of the AI/AN and Urban Indian Medicaid Work Requirement Exemption

States may not yet have sufficient information to reliably identify everyone who qualifies for the AI/AN exemption before outreach occurs, creating a risk of misidentification or confusing notices. HHS and CMS should issue binding guidance so states apply the AI/AN exemption automatically, ensuring implementation does not create new barriers for AI/AN and Urban Indian people.

Ongoing Priority: Preserve and Maintain All Existing Medicaid Resources for the Indian Health System

Cuts to Medicaid place a heavier burden on states and can force Indian health care providers to reduce essential services. Preserving Medicaid resources is critical to ensuring AI/AN and Urban Indian beneficiaries can access necessary care and to fulfilling the trust responsibility.