

BUSINESS IN 2026

WEEKLY WEBINAR SERIES



Your Host



Gabriel S. Oberfield

Member

goberfield@bsk.com

New York, NY

Today's Agenda

Gabe Oberfield

- Welcome and Agenda

Gabe Oberfield and Roger Bearden

- Looking Back, and Looking Ahead: Health Care, Human Services, & Gov't and Regulatory Affairs

G. Oberfield

- Questions / Wrap Up

Looking Back, and Looking Ahead: Health Care, Human Services, & Gov't and Regulatory Affairs



Gabriel S. Oberfield

Member
goberfield@bsk.com
New York, NY



Roger A. Bearden

Member
rbearden@bsk.com
Albany, NY

Wrapping Up 2025 – Local and State Activities

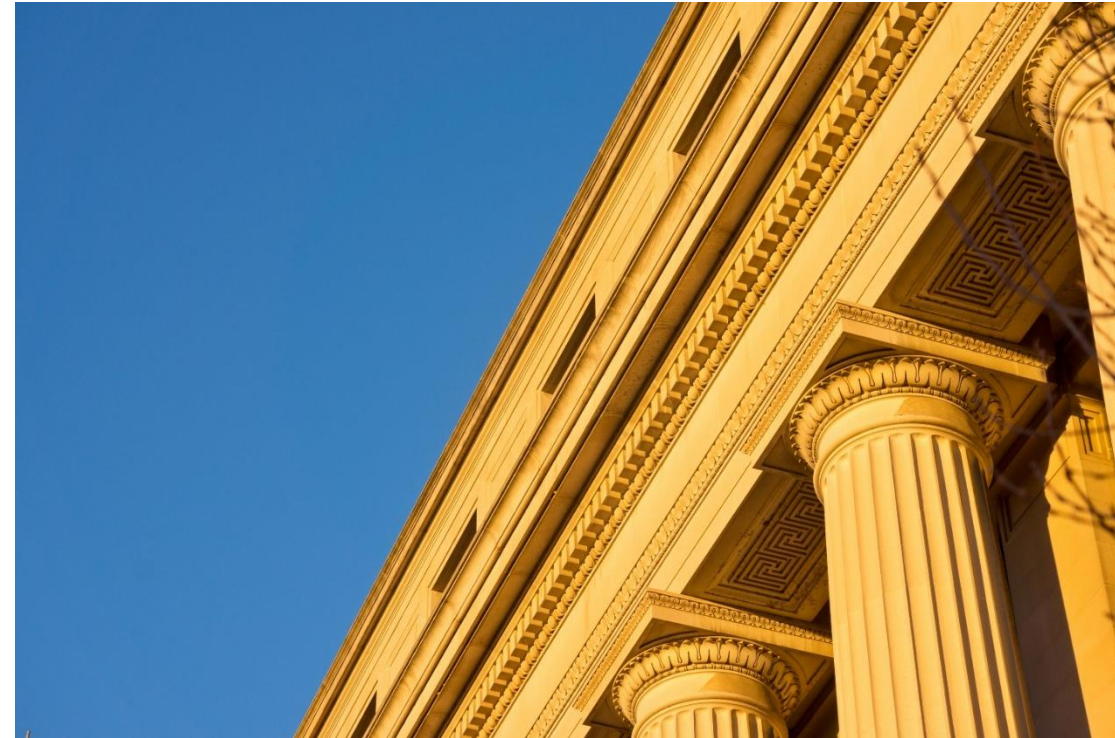
- **New Municipal Administrations Across NYS**
- **NYS Bill Signing Season**
 - More than 800 bills decided upon this year as 2025 moved to close
- **End-of-Year Approvals (including with chapter amendments)**
 - Further expansion of state law re: gender-affirming and reproductive care
 - Medical Aid in Dying
 - Justice system oversight
 - AI activity – e.g., safety, intellectual property rights
 - Elimination of the “100-foot-rule” for customers’ subsidization of new natural gas hookups
- **Recent Vetoes**
 - Grieving Families Act (4th year in a row)
 - NYS health information bill (“New York Health Information Privacy Act”)
 - Requiring LLCs to enhance transparency re: ownership structures



NYS Gov. Kathy Hochul
Credit: <https://www.governor.ny.gov/>

H.R. 1 – The Fundamentals

- President Trump signed the One Big Beautiful Bill Act (“OBBBA” or “H.R. 1”) Federal reconciliation package into law on July 4, 2025
- Shifts – some near-term, and others over time – in the administration of and eligibility for government programs.
- An estimated dip of more than \$1T in health care spending is expected over 10 years.



H.R. 1 Implications

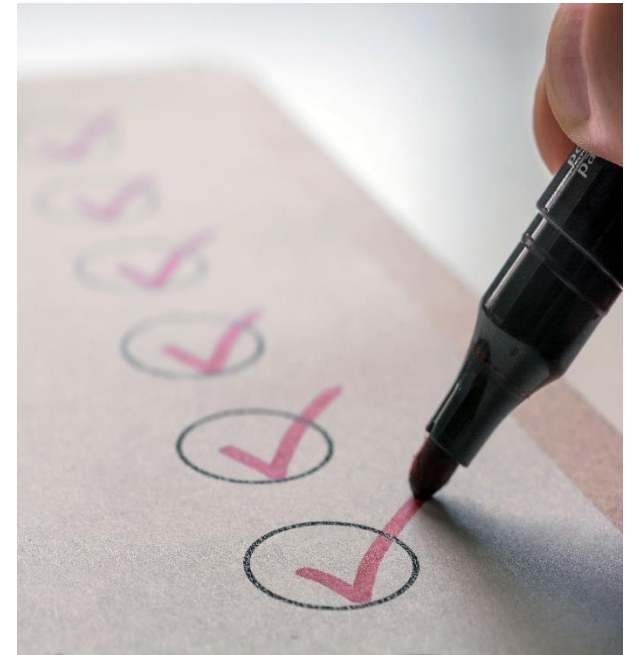
- The changes, per numerous stakeholders, will trigger significant disruptions in access to public insurance:
 - Elevate uncompensated care needs in New York State;
 - Increase financial pressure on public and 'safety net' institutions that rely heavily on Medicaid, whether in rural or in urban settings; and
 - Add to demand for mission-driven not-for-profit organizations – with an uncertainty of funding sourcing to meet the demands.



Deeper Dive: Health and Human Services

Key OBBBA provisions include:

- Formal halting of a key avenue for matching Federal funding,
- Retroactive pick-up date changes for chronic care budgeting,
- Work requirements for Medicaid eligibility,
- Medicaid enrollment changes,
- SNAP funding decrements,
- Changes in health care access for certain noncitizens, and
- Funding stream shifts affecting rural health care.



Impact on New York Long Term Care Budget, Including Changes to Medicaid Retroactive Coverage

Beginning after Dec. 31, 2026, the retroactive coverage period for Medicaid coverage will be reduced.

Some individuals will be eligible for coverage for a month, while others will have up to two months, rather than the current three-month retroactivity standard that applies in settings such as eligibility for long term care in a nursing home.

Similar adjustments will apply to the Children's Health Insurance Program ("CHIP") for child health and pregnancy-related assistance (SEC 71112).

Such changes are expected to affect funding ultimately available for care delivery and may lead to chilling effects on the provision of discretionary services, such as community-based long-term care.

Others posit that these changes may result in 'churn' among Medicaid recipients who may cycle more frequently on and off Medicaid.



New Medicaid Community Engagement Requirements

By early 2027, states must implement community engagement requirements for Medicaid eligibility, requiring beneficiaries to fulfill 80 hours monthly in work, community service, or education.

Certain exceptions will exist for groups like minors, veterans with disabilities and medically frail individuals, with allowances for short-term hardships such as hospitalization or residence in high unemployment areas.

Among other anticipated effects, these requirements may hamstring the ease of enrollment for individuals (i.e., due to new paperwork burdens) and states will need to develop new apparatuses to verify work as completed.



New Medicaid Community Engagement Requirements

Among the requirements, states will be mandated to conduct regular eligibility checks and send notices for noncompliance.

OBBBA makes available \$200 million in grants to support states in developing systems to enforce these requirements, with rulemaking set by June 1, 2026, according to Section 71119.

According to reports, New York State's Department of Health has estimated that approximately 1.5 million people overall in New York will lose insurance due to eligibility and process shifts.



Medicaid Cost-Sharing Adjustments

Starting Oct. 1, 2028, Medicaid beneficiaries with family incomes above the Federal poverty line will encounter new cost-sharing requirements.

Although exempt from enrollment fees and premiums, these individuals will be required to pay up to \$35 for certain services, with prescription drug costs also subjected to limitations.

Essential services like primary care, mental health and substance use disorder treatments will remain cost-sharing exempt.

Overall, the total cost-sharing is capped at 5% of a family's income, calculated either monthly or quarterly (SEC 71120).



Changes Impacting Some Noncitizens

Starting 18 months post-enactment, Medicare will be available only for U.S. citizens, U.S. nationals, lawful permanent residents, Cuban and Haitian entrants and some lawful residents (SEC 71109).

Similarly, only U.S. residents who are citizens, nationals or fall into certain categories of lawfully admitted noncitizens such as permanent residents and Cuban and Haitian entrants will be eligible for SNAP benefits (SEC. 10108).



SNAP Funding in New York

Starting in fiscal year 2028, federal funding for state allotments will depend on a state's payment error rate. States with lower error rates will receive more federal funding, while those with higher rates will need to contribute more. (SEC 10105).

New York State estimates losing 15% of its federal funding: a State commissioner shared in a recent announcement that the State estimates a \$1.2B per-year shortfall, and that it disagrees with the premise that payment error rates are indicative of fraud. OBBBA also will cut administrative funding for the SNAP program.



Deeper dive: AI

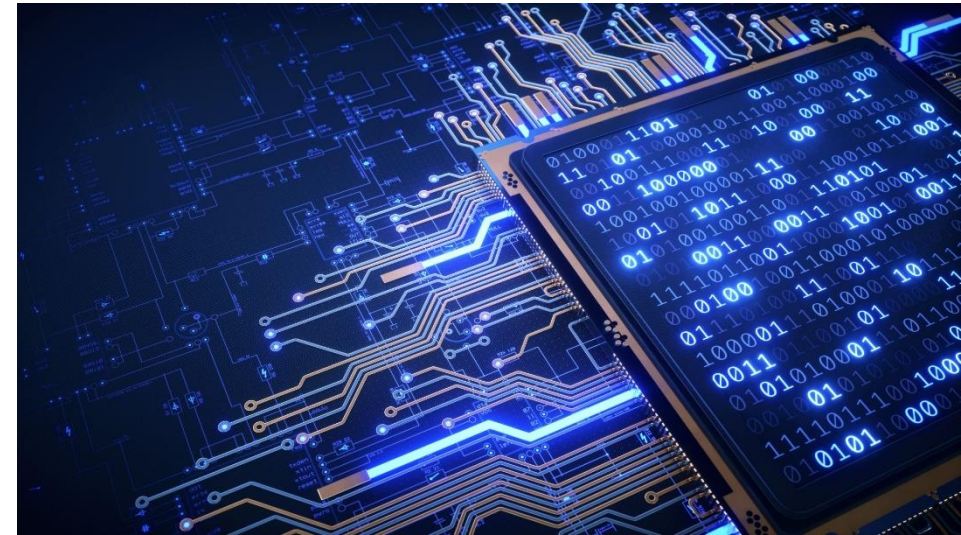
Artificial Intelligence – What *Didn't* Happen

House bill included provisions that would have established a 10-year moratorium on state regulation of artificial intelligence (AI) models, AI systems, and automated decision-making tools.

Per the House version: “no State or political subdivision thereof may enforce, during the 10-year period beginning on the date of the enactment of this Act, any law or regulation of that State or a political subdivision thereof, limiting, restricting, or otherwise regulating artificial intelligence models, artificial intelligence systems, or automated decision systems entered into interstate commerce.”

Bipartisan criticism → the state level moratorium was not accompanied by a federal regulatory framework concerning AI.

Senate removed AI restrictions by 99-1 vote, and this removal flowed into law.



Trump Accounts

IRAs intended for children: beginning in 2026, taxpayers will be able to elect to create accounts on behalf of their dependents under the age of 18 (default will be that an account will open)

- Contributions generally limited to \$5,000 per year (generally post-tax and indexed for inflation).
- Children born 2025 through 2028 will receive \$1,000 seed money.
 - Employers will be able to contribute up to \$2,500 (indexed for inflation) to employee or an employee's dependent pursuant to a written plan.
 - Not employee income -- and the beneficiary of the account and employers can deduct it as a business expense.

Also, re: 529s: Certain annual funding levels and types of permitted expenditures expanded.



Looking Ahead

- **New Municipal Administrations Underway Across New York State**
- **NYS Budget Season – Executive Budget Release Today**
 - Tax the Rich? Not for Now
 - Frame of Proposal:
 - \$260B budget → \$8B more than last year's
 - Rainy day fund usage?
 - Medicaid back-fill? (Assumed: \$10.3 billion less federal funding)
 - Childcare expansion
 - Proposed restrictions on a) children using AI chatbots b) protests adjacent to houses of worship
 - What Will be Negotiated?
- **2026 NYS Gubernatorial Race**
 - Rep. Elise Stefanik exits race, Congress
 - Nassau County Executive Bruce Blakeman and Lt. Gov. Antonio Delgado
 - Will the Consumer Directed Personal Assistance Program be a wedge issue?
- **National Currents**
 - Implications of H.R. 1



NYS Gov. Kathy Hochul
Credit: <https://www.governor.ny.gov/>



President Donald Trump
Credit: <https://www.whitehouse.gov/>

Weekly Webinar: Year in Review & Year Ahead

Join us each Tuesday in January as we:

- Look back at the highlights, milestones, and lessons from this past year.
- Look forward to continuing to bring you timely insights and updates that matter most to your organization.

Workplace 2026

Annual Labor & Employment Law Conference

Date	Location
Thursday, June 11, 2026	Albany
Thursday, May 21, 2026	Corning
Thursday, June 25, 2026	Long Island
Thursday, June 18, 2026	New York City
Thursday, June 4, 2026	Rochester
Tuesday, June 23, 2026	Saratoga Springs
Thursday, May 28, 2026	Syracuse
Tuesday, June 9, 2026	Westchester

Registration for all programs will be available starting Spring 2026

Questions?



Gabriel S. Oberfield

Member

goberfield@bsk.com

New York, NY

Looking Back, and Looking Ahead: Health Care, Human Services, & Gov't and Regulatory Affairs

Gabe Oberfield, goberfield@bsk.com

Roger Bearden, rbearden@bsk.com

Sexual Harassment Prevention Training

To combat harassment in the workplace, every New York State employer must provide harassment prevention training for all employees annually.

For more information on Bond's online sexual harassment training [click here](#) or email bondonline@bsk.com

Thank You

The information in this presentation is intended as general background information.
It is not to be considered as legal advice.
Laws can change often, and information may become outdated.

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