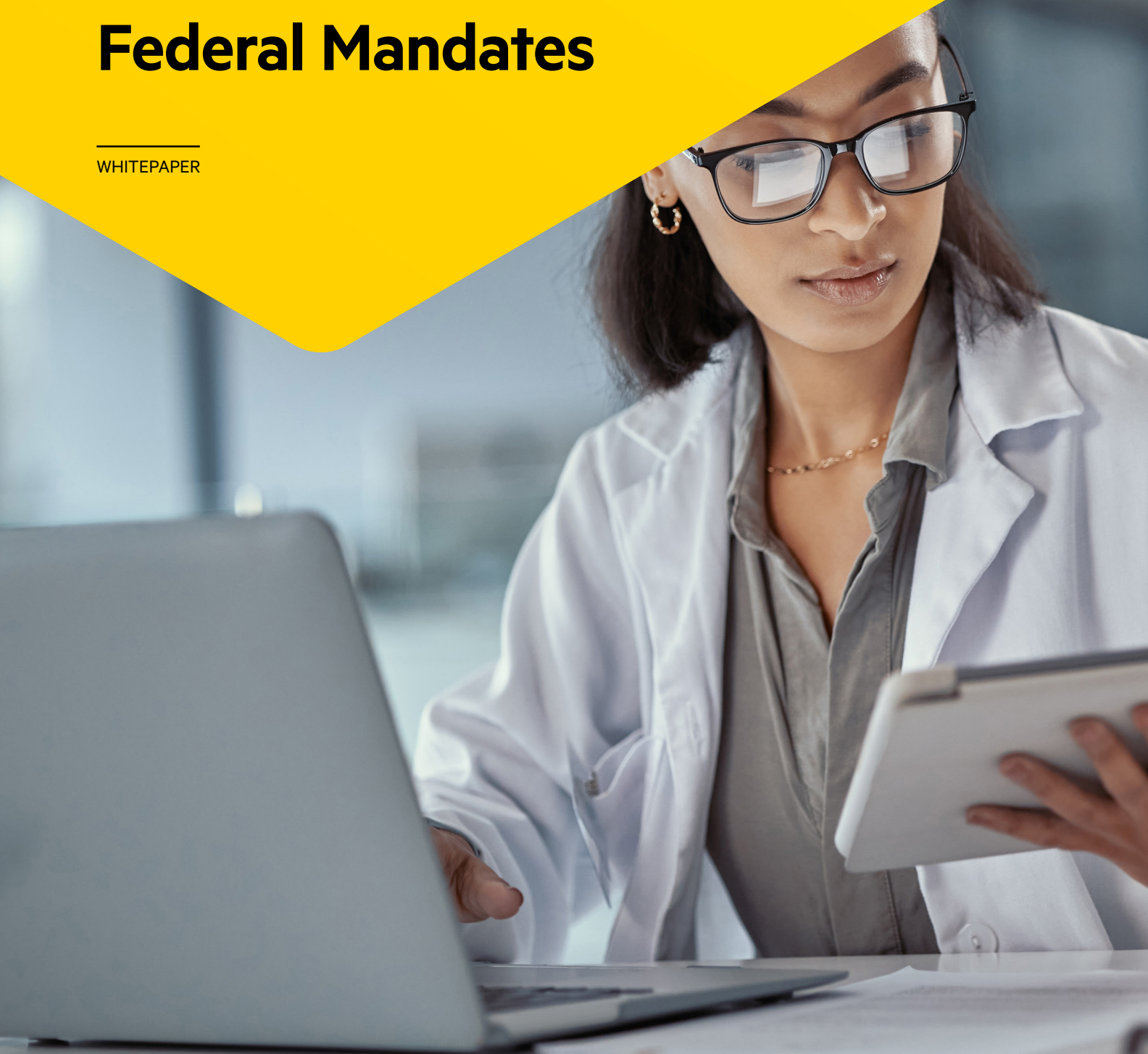


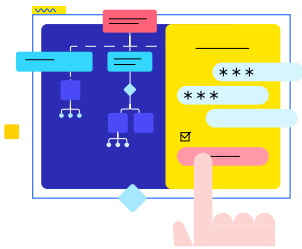
Building a Resilient Medicaid Program: A Framework for Navigating the New Federal Mandates

WHITEPAPER



The landscape of Medicaid has been fundamentally altered by the [2025 budget reconciliation law](#), which imposes a new, complex set of federal mandates on state programs. These changes, including mandatory work requirements, more frequent eligibility redeterminations, and new financing constraints, create significant operational hurdles and threaten coverage continuity for millions of Americans. State Medicaid agencies now face the urgent need for a modernized, agile, and data-driven approach to manage this new reality.

This whitepaper introduces a robust offering that combines the power of [the Progress® Corticon®.js](#) solution, a high-performance serverless business rules engine, with [the Progress® MarkLogic® Platform](#), a leading multi-model database and data hub platform. Together, they form an operational data and decisioning hub that empowers state agencies to automate complex eligibility determinations under the new rules, integrate disparate data sources for a holistic household view and help eligible individuals and families maintain the vital healthcare coverage they need.



The Challenge: Navigating a New Era of Medicaid Complexity

The budget reconciliation law has moved Medicaid into a new, more stringent regulatory environment. The temporary challenges of previous years have been replaced by permanent, structural changes that create immense operational and financial pressure on states. Key challenges include:

- **Mandatory Work Requirements:** States must now [implement and enforce](#) an 80-hour monthly work requirement for many adult Medicaid populations. This involves tracking work hours, managing a complex set of exemptions (e.g., for medical frailty, caregivers), and integrating with numerous external data sources like Supplemental Nutrition Assistance Program (SNAP) or state workforce agencies to verify compliance. And they must balance all of this while conducting extensive enrollee outreach.
- **Increased Redetermination Frequency:** The law mandates that states redetermine eligibility for adults in the expansion population [every six months](#), a major departure from the previous annual cycle. This doubles the administrative workload and significantly increases the risk of procedural disenrollments, where eligible individuals lose coverage due to paperwork issues rather than ineligibility.

- **New Financing and Coverage Constraints:** The legislation imposes new restrictions on how states can finance their share of Medicaid costs, specifically by limiting the use of [provider taxes](#) and [state-directed payments](#). It also curtails federal funding for certain noncitizen populations, requiring states to navigate difficult fiscal and policy decisions.
- **Data and Systems Strain:** These new mandates place an unprecedented strain on state eligibility systems, which are often decades old and ill-equipped to handle the increased data-sharing and processing demands. Without modern infrastructure, states risk non-compliance, erroneous payments, and, most importantly, harming the populations they serve.



A Targeted Solution for the New Mandates

The Medicaid data & decisioning hub, powered by the Corticon.js solution and MarkLogic platform, is uniquely positioned to address the specific challenges introduced by the 2025 budget reconciliation law. The architecture provides a direct line from policy mandate to technical implementation.

Automating Work Requirements and Redeterminations

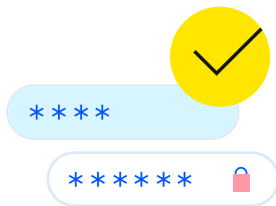
To manage the work requirements effective January 1, 2027, and the six-month redetermination cycle, the Corticon.js solution and MarkLogic platform provide robust capabilities well suited to implement and maintain:

- **Complex Rule Automations:** The Corticon.js solution operationalizes the complex 80-hour monthly work requirement rules, including all statutory exemptions and state-defined hardship criteria. With the rules authored as business rules by policy experts, and operationalized in diverse, platform agnostic environments, agencies can solve for consistently and accurately applied logic down to the individual.
- **Automated Data Verification:** The MarkLogic platform can [ingest and harmonize](#) data from SNAP, Temporary Assistance for Needy Families (TNAF) and state workforce agencies to automatically verify compliance with qualifying activities, minimizing the need for manual review.
- **Traceability for Audits:** The solution can generate an audit-friendly decision trace for every determination, providing a clear record of how compliance was evaluated, which is essential for the more frequent redetermination cycle.

Managing Non-Citizen Coverage Restrictions

Effective October 1, 2026, [new federal funding restrictions](#) for emergency services and coverage for refugees and asylees will take effect. The hub helps states navigate this by:

- **Identifying Affected Individuals:** Corticon.js rules can quickly identify individuals affected by the new coverage restrictions based on their documented status.
- **Integrated Household Views:** The MarkLogic platform can integrate data from immigration, SNAP, and other benefits systems to create a consistent household view, supporting accurate assessments and the identification of alternative eligibility pathways.



Supporting Compliance with Financing Rules

The 2025 budget reconciliation law imposes new constraints on provider taxes and state-directed payments (SDPs), requiring states to adhere to new caps and phased reductions. The solution supports compliance by:

- **Tracking Payment Configurations:** The MarkLogic platform can serve as a central repository to track all provider payment configurations and historical data, supporting the analytics needed to achieve compliance with the new limits.
- **Evaluating Payment Logic:** The Corticon.js solution can evaluate the complex payment eligibility and funding source logic for each coverage group, ensuring that payments align with the new Medicare-based caps and that provider tax calculations are correct.

Leveraging the Rural Health Transformation Fund

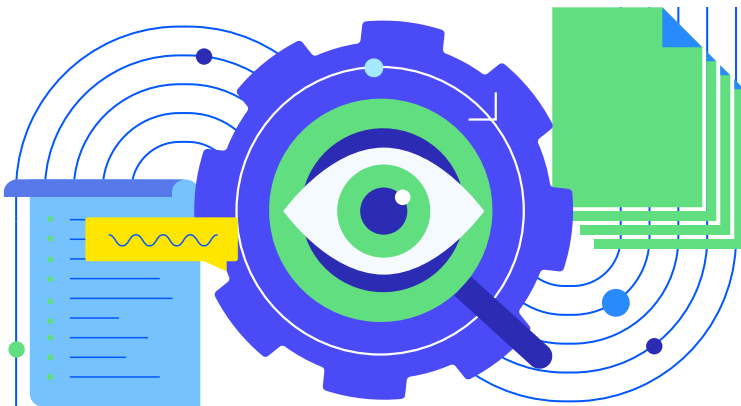
The law [established a \\$50 billion fund](#) to support rural healthcare, requiring states to submit detailed transformation plans by December 31, 2025. The Hub can be instrumental in this process by:

- **Managing Provider Data and Metrics:** The MarkLogic platform can manage provider data, track funding allocations and monitor the performance metrics outlined in a state's transformation plan.
- **Rule-Based Fund Allocation:** The Corticon.js solution can be used to encode the state's logic for prioritizing and distributing funds, evaluating provider eligibility against defined criteria to verify that the funds are used effectively and in line with the state's approved plan.

The MarkLogic Platform: The Foundation for a 360-Degree Household View

The platform serves as the data foundation of the solution, providing a flexible and powerful tools for integrating and managing the data required to meet the new federal mandates. Key features include:

- **Multimodel Database:** It can store and manage data in any format (JSON, XML, etc.), which is crucial for integrating data from diverse sources—like state wage databases, workforce programs, and SNAP—without complex data transformation.
- **Data Hub Framework:** Its data hub capabilities enable the “[mastering](#)” of data to create a single source of truth for each household. This unified view is the bedrock of automating eligibility verification and preventing [procedural disenrollments](#).
- **Government-Grade Security:** The platform provides [robust security features](#) essential for handling sensitive personally identifiable information (PII) and protected health information (PHI).
- **Triggers and Alerts:** [The embedded trigger functionality](#) automatically initiates actions when data is updated, providing the mechanism to launch the decisioning process within the Corticon.js solution as new information becomes available.

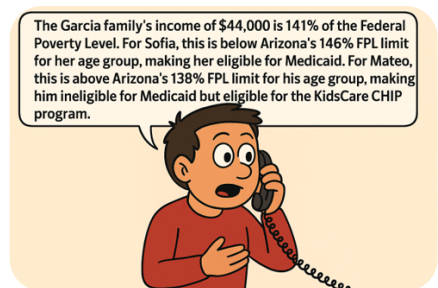
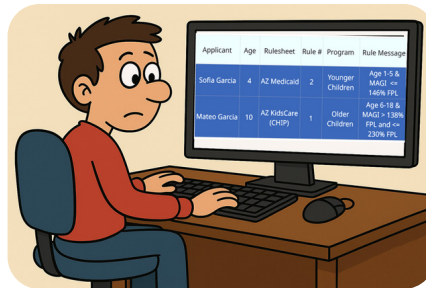
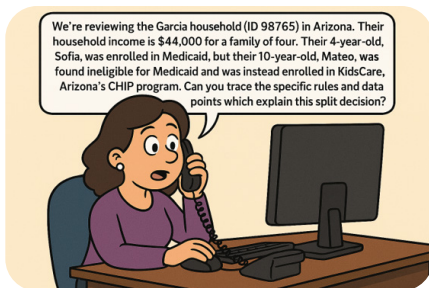




The Corticon.js Solution: Automating Complex Eligibility Logic

This lightweight, high-performance business rules engine separates complex business logic from application code. In the new, dynamic policy environment, this is critical for maintaining:

- **Agility and Transparency:** Eligibility rules, including the intricate logic for work requirement exemptions, can be managed and updated by business analysts without requiring changes to the underlying application code. This makes the system agile and responsive to evolving policy.
- **Accuracy and Consistency:** By centralizing eligibility logic, states can apply the complex new rules consistently and accurately for every individual.
- **Auditable Decision-Making:** It provides a [detailed trace](#) of which rules were fired for each decision, offering a clear and auditable record of the determination process for federal compliance.



A Practical Implementation: The MarkLogic Platform + Corticon.js Solution in Action

The integrated workflow described in this whitepaper is based on an open-source demonstration project available on [GitHub](#). This repository provides a tangible example of the design patterns discussed and can be used as a foundation for learning and development. The workflow operates in a continuous, automated cycle as outlined below:

1. **Processing via Data Ingestion:** Household information from various state systems is ingested into the MarkLogic platform, where it is stored as a JSON document and harmonized. The open-source project includes tools— like Progress MarkLogic Flux—that simulate this batch processing.

2. Triggering the Decision Service: As demonstrated in the repository, a MarkLogic trigger is configured to execute whenever a new document is added to the household collection. This trigger invokes a server-side JavaScript module that calls the Corticon.js decision service, passing the complete household data as input.

Explore Corticon.js at www.progress.com/corticon-js

3. Executing Eligibility Rules: The Corticon.js decision service evaluates the household data against a series of rule sheets that define the new, complex eligibility pathways, including work requirement compliance, income verification, and other criteria for the six-month redetermination.

4. Enriching the Data: The decision service returns a payload containing the detailed results of the eligibility determination, including an auditable trace of the specific rules that were fired. This enriched data is then written back into the original household document in the MarkLogic platform, creating a comprehensive record of the decision.

5. Enabling Analytics and Reporting: The project utilizes a [Template Driven Extraction](#) (TDE) to create a relational view of the enriched JSON data. This makes the data accessible for standard SQL-based queries, allowing state agencies to monitor the impact of the new policies, track disenrollment reasons, and analyze compliance with work requirements.

This reference implementation serves as a valuable, freely available asset for states looking to understand and adopt these powerful architectural patterns.





Conclusion: A Path to a More Modern and Equitable Medicaid Program

The combination of these two powerful products from Progress offers a compelling solution for states seeking to successfully operate their Medicaid programs under the new, more demanding federal framework. By creating a unified operational data and decisioning hub, states can:

- **Implement new mandates** effectively by automating complex processes for work requirements and six-month redeterminations.
- **Reduce administrative burden** by freeing up staff from manual verification to focus on complex cases and enrollee outreach.
- **Improve program integrity** so eligibility is determined accurately and consistently, which can help reduce the risk of improper payments and federal penalties.
- **Enhance the beneficiary experience** by maximizing the use of ex parte renewals to prevent eligible individuals from losing coverage for procedural reasons, a risk now amplified by the increased frequency of redeterminations.

The architecture described in this whitepaper is not just a technical solution; it is a strategic asset for building a more resilient, agile and equitable foundation for the future of state Medicaid programs. It provides a clear path for states to meet the challenges of this new regulatory era head-on.



Get started with Progress Corticon today!

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