



Testimony of Commissioner Dr. Stephen Cha
Before the New Jersey Senate Health, Human Services and Senior
Citizens Committee
Oct. 22, 2026

Chairman Vitale and members of the Committee, thank you for the opportunity to appear today.

I am Dr. Stephen Cha, Commissioner of the New Jersey Department of Human Services.

I am grateful for the Chairman's leadership and this Committee's partnership.

I want to begin with someone I would like you to meet.

Her name is Sofia.

She is a hypothetical NJ FamilyCare member, but her story is one we expect many real New Jerseyans to live once new federal work requirements take hold in January.

Sofia drives for a ride share app about 20 hours a month and earns about \$400.

It is not a full-time job, but it is real work, squeezed in around the rest of her life.

When her renewal comes due, the State and our county partners cannot confirm her eligibility on its own, so a packet arrives in the mail. She returns it.

We still cannot verify, so we send a request for more information.

She answers that, too, with screenshots from the app showing her hours and earnings, month by month.

Sofia did everything we asked of her.

And she still loses her coverage.

Her hours and income fell just short of the threshold set by the federal government, and she did not fit any exemption.

Federal rules deny subsidies to people terminated for not meeting work requirements, so if she wants a plan through Get Covered New Jersey, she pays the full premium, even though her income would otherwise qualify her for NJ FamilyCare.

Please keep Sofia in mind.

I will come back to her, because she is why we are here.

As a physician, I have seen what happens when people lose coverage or get lost in the very systems meant to help them.

I remember caring for people without insurance before the Affordable Care Act.

I do not want to go back.

Today I will cover what is changing, what it means for families, and what we are doing with our county partners.

Your folders show how these changes could affect people across New Jersey.

H.R. 1, signed by President Trump in July 2025, cuts Medicaid and SNAP by more than a trillion dollars over ten years nationwide.

It reduces federal support, adds administrative work, and shifts costs to states and counties.

Let me say the most important things you will hear from me today.

First, most people who lose coverage will still be eligible.

Second, the way for members to keep up is to check their mail.

I know opening a government letter is nobody's favorite task.

But please open it.

This law cuts a trillion dollars in part because new paperwork burdens cause people to lose coverage, no matter how hard we work.

That is not a side effect.

It is essential to the cuts.

The Sherrill Administration will continue to advocate for repeal, or at least delay.

However, it is our job to implement the law, and to reach out to our neighbors and help them through these new purposefully placed obstacles.

We do not want any eligible resident to lose help because of a letter they did not understand, a form they could not complete, or a deadline they could not meet.

Meanwhile, we cannot do this without our counties.

County agencies are the front door for residents to NJ FamilyCare and SNAP.

Every change I describe lands first on county caseworkers, who are often the face of decisions they did not make.

I will touch on this later in my testimony.

NJ FamilyCare covers about 1.8 million New Jerseyans, including about 540,000 who gained coverage through the Medicaid Expansion.

Most members will not experience any changes, but those who gained coverage through that Expansion will face challenges.

Estimates indicate that more than 300,000 could lose coverage, most by the end of State fiscal year 2028, along with two to three billion dollars in lost federal funding.

Even in the most optimistic scenario, approximately 165,000 people could still lose coverage.

These are projections, not final counts.

But behind every number is a person: someone who needs a checkup, a parent managing a chronic condition.

The gap between more than 300,000 and 165,000 is what keeps us working so hard.

And provider cuts beginning in fiscal year 2029 could bring the total to roughly six billion dollars in lost federal funding every year.

The first changes have already arrived.

On October 1, certain lawfully present noncitizens, including some refugees, asylees, and survivors of human trafficking, lost eligibility for federally funded Medicaid unless they meet another category.

We mailed letters to nearly 24,000 members whose status we could not verify, provided materials in nine languages, and worked with managed care organizations, counties, and Legal Services of New Jersey.

Still, as of October 1, 10,399 people had not responded, and their Medicaid coverage ended.

Some may not yet know.

That should not be the end of their story.

A missed response is not a finding of ineligibility.

Many may still qualify, and every terminated member has the right to a fair hearing.

If you receive a notice from NJ FamilyCare, open it and send back what is requested, or call 1-833-635-7060 (TTY: 711).

The next major phase begins January 1.

Certain Expansion adults ages 19 through 64 years will have to show work, volunteering, or school attendance, and renew every six months instead of annually.

Exemptions include people with disabilities, certain caregivers, and pregnant and postpartum individuals.

Many of these members are already doing everything they can: working irregular hours, caring for a relative, going back to school.

Paperwork should never be what costs them their coverage.

That concern is sharper because a CMS interim final rule goes beyond what Congress set in the statute, adding an undefined “significantly impairs” standard for medically frail members and narrowing when states may accept self-attestation.

New Jersey has submitted comments, and the Attorney General is co-leading a multistate lawsuit, joined by 25 states.

Building on the lessons of the post-pandemic unwinding of continuous coverage, we are writing to members early and often.

In January, members whose compliance we cannot verify using validated electronic sources will receive a renewal application by mail, followed by reminders by phone, text, and email.

Our website, FederalMedicaidChanges.nj.gov, and our Activity Requirements Checker at njfcchecker.nj.gov show residents what applies to them, and we are adding call center staff.

We are also building toolkits and holding webinars for health centers, hospitals, legal services, shelters, and congregations.

We are developing this messaging with the New Jersey Health Care Quality Institute and gathering ongoing input from stakeholders across the state in partnership with State Health and Value Strategies at Princeton University.

Philanthropic partners fund both efforts.

SNAP is changing too.

In New Jersey, we have prioritized driving down hunger over creating costly hurdles.

For example, the Governor's budget invests \$30.25 million to maintain a \$95 minimum benefit for about 40,000 households, especially older adults on fixed incomes.

However, nearly 740,000 New Jerseyans received SNAP benefits as of June, which is about 71,000 less than a year earlier.

The law raises the work requirement age for certain adults without dependents to 65 years and narrows the exception for parents to those with children under 14 years.

SNAP Navigators, available in counties across the state, help residents finish the steps so that a missed form does not become a lost benefit.

I also thank Speaker Coughlin and the Assembly members and Senators who sponsored the new law about creating a place to find and document qualifying volunteer opportunities.

The changes in federal law also shifts costs.

The State's share of SNAP administrative costs rose on October 1 from 50 to 75 percent.

The current State budget includes \$71 million to support counties during this transition year.

When the fundamentally flawed payment-error-rate penalty begins in October 2027 on top of the administrative costs, the Trump Administration could shift as much as \$300 million a year onto New Jersey taxpayers.

The Governor and I have called on Congress to eliminate or delay the harmful cost shift provisions tied to the USDA's fundamentally flawed Payment Error Rate.

As we continue this fight, we also work closely with counties to mitigate impacts to New Jersey families.

Preparing county eligibility workers is critical.

Good training is how we prevent inaccurate determinations.

Through our Division of Medical Assistance and Health Services, we have begun supervisor training, eight sessions in all before the start date.

Worker-level training begins in November, one or two sessions a week through the end of the year, delivered directly to county staff.

We are also designing accountability measures, such as attendance attestations and worker assessments, to ensure workers retain what they learn.

Our counties are under strain, and several are working through backlogs, so families may face delays.

We have met repeatedly with county leaders, and we publish county scorecards on pending applications and renewals.

Performance varies, but almost every county has improved its processing times.

I would welcome the Committee's help in supporting these agencies.

Your offices are also often where residents turn first.

When a constituent calls about a notice, ask which notice, what the deadline is, and what they have already sent, and remind them that a notice is not a finding of ineligibility.

We recently held a briefing for legislative staff, and I will note the resources flyer included in your folders.

For cases needing more help, contact our Office of Constituent Affairs at constituent.affairs@dhs.nj.gov.

Whether in respect to Medicaid or SNAP, our priorities are clear: prevent avoidable losses through clear communication and easier renewals; strengthen technology and capacity; support our counties and community partners; protect program integrity alongside access; and monitor the consequences so we catch problems early.

These changes arrive when our healthcare system is already strained, and when 13 percent of families are already facing food insecurity.

About 15 percent of New Jerseyans have no personal doctor, and we rank 46th in primary care providers.

Costs are rising faster than incomes.

New Jersey cannot fully offset every federal reduction, but we can invest thoughtfully, reduce administrative complexity, and work with

the Legislature, providers, counties, and community organizations to build a system that can withstand change.

Our goal must be more than managing the consequences of the Trump cuts.

It must be to ensure that New Jersey's health care system is ready to meet the needs of its residents, today and in the years ahead.

More affordable, more accessible, and more sustainable.

Which brings me back to Sofia.

She works.

She opened her mail.

She sent back every form.

She was not trying to get around the rules.

She was trying to make a living and keep her health coverage.

We cannot change the federal rule that decided her case.

However, we can make sure we reach every Sofia early, explain what we are asking of her, and give her someone to call.

And we can keep telling Washington what these rules mean for people.

We cannot control every federal decision.

We can control how thoughtfully we respond and how well we work together.

Behind every eligibility determination is a person or a family.

Behind every funding reduction are consequences for providers and communities.

And behind every challenge is an opportunity to do better.

Thank you for the opportunity to testify.

I look forward to working with Chairman Vitale and the members of this Committee as we face these challenges together.