City of Alexandria, Virginia
301 King Street, Suite 2300
Alexandria, Virginia 22314

Alyia Gaskins

Mayor

Office: 703.746.4500

alyia.gaskins@alexandriava.gov

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The Honorable Mark R. Warner
United States Senate
703 Hart Senate Office Building
Washington, DC 20510

The Honorable Tim Kaine
United States Senate
231 Russell Senate Office Building
Washington, DC 20510

Dear Senators Warner and Kaine,

On behalf of the City of Alexandria, I write to respectfully ask that you consider submitting a bipartisan audit request to the Government Accountability Office (GAO) to evaluate the Commonwealth of Virginia's Medicaid-related information technology (IT) systems and infrastructure. This audit should specifically assess whether the Commonwealth is adequately prepared to implement the draconian reporting mandates required under H.R. 1 (P.L. 119-21), enacted on partisan lines earlier this year.

Background & Urgency

H.R. 1 includes several new Medicaid reporting mandates that will directly impact eligibility systems nationwide, including in the Commonwealth of Virginia. Most immediately, the bill requires states to shift from annual to twice yearly eligibility redeterminations for many beneficiaries, a requirement that took effect upon enactment in 2025. In addition, the bill establishes community engagement and work reporting requirements for most Medicaid expansion adults, which must be fully implemented by January 1, 2027. Finally, beginning October 1, 2028, certain expansion eligible adults with incomes between 100–138% of the federal poverty level will be subject to cost-sharing obligations of up to $35 per service, with limited exceptions. These cumulative mandates significantly increase the reporting and verification workload on state systems and underscore the urgency of ensuring states' Medicaid IT infrastructures can handle these changes without causing wrongful terminations of coverage.

According to the Centers for Medicare & Medicaid Services (CMS), over 84 million people nationwide are enrolled in Medicaid or the Children's Health Insurance Program (CHIP)—about

25% of the U.S. population.[1] Medicaid is the largest source of health coverage in the country, providing critical access to care for low-income families, children, pregnant women, seniors, and individuals with disabilities. Even a conservative system error rate of only 1-2% on a national scale could translate to hundreds of thousands of eligible Americans being unjustly removed from coverage, threatening continuity of care and placing an immense burden on hospitals, providers, and state and local safety net systems.[2]

Virginia's Medicaid Enterprise System (MES) and eligibility platforms are not designed for or prepared to support continuous work-status reporting for all beneficiaries, raising significant concerns about the risk of removing life-saving benefits from individuals and families who need, deserve, and qualify for adequate healthcare.

A recent NPR report found that Georgia's legacy IT systems faltered under similar mandates—leading to widespread disenrollment among eligible individuals.[3] This cautionary tale highlights the potential harm if Virginia's systems are not similarly audited and reinforced before implementation. We must take steps now to avoid a similar fate for the people of Alexandria and the Commonwealth more broadly.

Local Impact in Alexandria

Virginia DMAS reports that approximately **1.42 million Commonwealth residents** are currently enrolled in Medicaid or CHIP, about **17.1%** of the state's population, according to the Association of Health Care Journalists.[4] In Alexandria alone, nearly 30,000 people rely on Medicaid for essential healthcare services as of June 2025. Even a conservative system error rate of only 1 to 2% could translate to hundreds of households in our city being unjustly removed from coverage.

Need for a GAO Examination
Given these risks, I respectfully urge you to request that the GAO examine the following:

1. **Current IT Infrastructure**: Does Virginia's Medicaid IT infrastructure effectively serve current beneficiaries?
2. **Readiness for H.R. 1 Reporting**: Can the MES, in its current iteration and with current staffing levels, support twice-annual employment verification and timely processing along with any other applicable new mandates, without risks to qualifying recipients?
3. **Safeguards for Continuity of Coverage**: Are backup procedures and quality controls in place to prevent wrongful terminations and expeditiously investigate and remediate erroneous terminations of qualified recipients?

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[1] Centers for Medicare & Medicaid Services (CMS), *Medicaid & CHIP Enrollment Data Highlights* (June 2024): www.medicaid.gov/medicaid/national-medicaid-chip-program-information/medicaid-chip-enrollment-data/index.html.
[2] Kaiser Family Foundation (KFF), *Medicaid Enrollment and Unwinding Tracker* (2024): www.kff.org/medicaid/issue-brief/medicaid-enrollment-and-unwinding-tracker/.
[3] NPR, "A Look at How Georgia's Medicaid Work Requirement Has Been Going," (July 17, 2025), www.npr.org/2025/07/17/nx-s1-5461067/a-look-at-how-georgias-medicaid-work-requirement-has-been-going.
[4] Association of Health Care Journalists, "Virginia: Sources of Health Care Coverage," Virginiafor-AHCJ2024.pdf.

4. **Comparative Best Practices**: How have other states modernized their IT systems and processes to effectively meet administrative requirements?
5. **Resource Needs**: What investments in IT, staffing, and administrative processes are necessary to fulfill H.R. 1's requirements without harming or unfairly burdening vulnerable populations?

Conclusion

A thorough GAO audit would provide critical insights into the feasibility and cost of implementing H.R. 1 in Virginia. Moreover, it could offer actionable recommendations to safeguard coverage for those who depend on Medicaid the most. Alexandria stands ready to assist with providing data, case studies, or resident testimony.

Thank you for your leadership and for considering this crucial step to protect Virginia families from preventable loss of healthcare during system transition. If you have questions about this request, please contact Wendy Ginsberg, the City of Alexandria's Legislative Director, at wendy.ginsberg@alexandriava.gov.

Respectfully,

Alyia Gaskins
Mayor
City of Alexandria
Cell: 703-244-3312
Alyia.gaskins@alexandriava.gov