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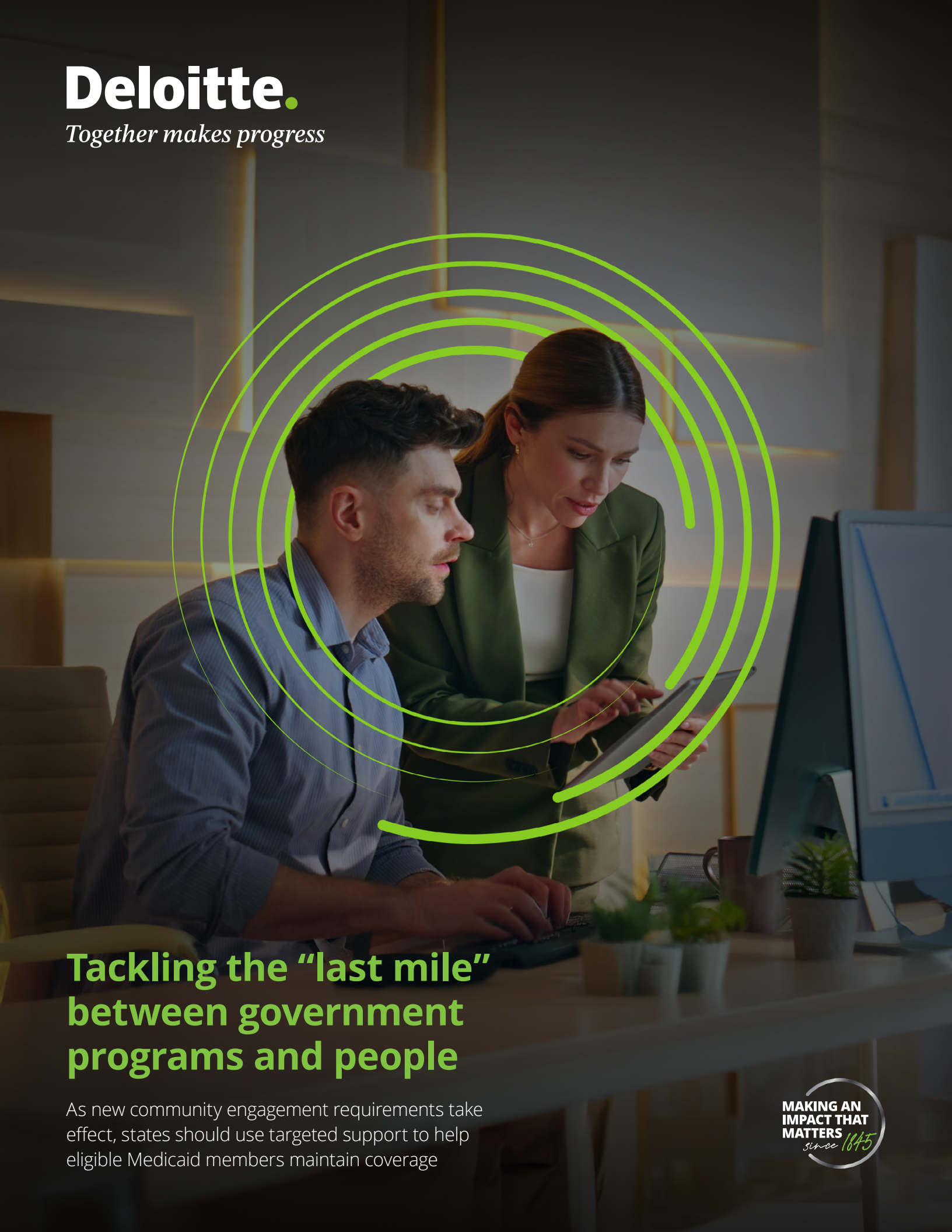

Tackling the "last mile" between government programs and people

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MAKING AN IMPACT THAT MATTERS since 1845

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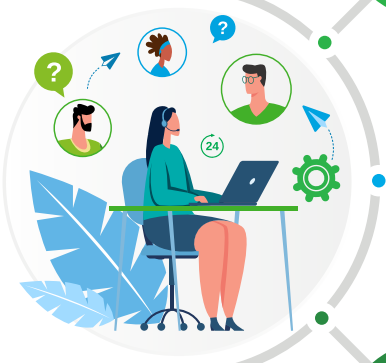
Starting January 1, 2027, Medicaid will enter a new era of administrative complexity. To keep their coverage, millions of members will need to regularly prove that they are working, volunteering, or otherwise meeting new community engagement requirements—putting enormous pressure on state agencies to build systems that can verify compliance, process exclusions, and keep eligible people enrolled.[1]

The stakes are high. An estimated 5 to 10 million people could lose Medicaid coverage in 2027 including as many as half of those enrolled through the Affordable Care Act expansion, depending on how states implement the new rules.[2] Federal officials have already warned that the change will require major updates to state policy, operations, and technology.[3]

The hardest part may be reaching the people most likely to lose coverage despite meeting eligibility requirements. Medicaid recipients with limited access to technology, housing instability, limited English proficiency, or low trust in institutions are especially vulnerable to falling through the cracks. For this "last mile" population, a few reminder emails or online prompts will not be enough (figure 1).

Figure 1. Breaking down "last mile" population challenges
The "last mile" population refers to a group of people who are difficult to reach, engage, or influence through standard communication and service-delivery channels. The barriers below highlight key reasons they are hard to reach.



ACCESS AND STABILITY CONSTRAINTS
Individuals who lack reliable access to email, phones, internet, stable housing, or transportation, making standard outreach and service delivery hard to receive and act on.

CONTACT AND MOBILITY
Individuals who are highly mobile or lack consistent points of contact, such as a stable address, reliable phone number, or connected support network.

COMMUNICATION AND ACCESSIBILITY NEEDS
Individuals who face language, literacy, digital literacy, or disability-related barriers.

TRUST, FEAR, AND MISINFORMATION
Individuals who are hesitant to engage due to low trust in institutions, fear of consequences, stigma, or prior negative experiences.

PROCESS FRICTION AND FLOW CHALLENGES
Individuals who are reachable but repeatedly do not complete requested actions because the process is burdensome or their competing priorities are overwhelming.

Source: Deloitte analysis

Bridging the last mile gap

Even with strong technology enablement, many expansion members will not be verified through data checks or through standard outreach alone. California, for example, estimates that automated processes could exclude or verify compliance for only about 40 percent of able-bodied, working-age adults enrolled in Medi-Cal.[4] That leaves a significant share of members in need of more targeted support to complete requirements and stay covered as community engagement policies take effect.

States can address this gap through a focused five-step approach.

1. **Identify impacted populations:** Use data to proactively identify impacted populations and tailor outreach campaigns based on member profiles, track outreach effectiveness through dashboards and metrics, and enrich contact information such as addresses and phone numbers using multiple data sources.
2. **Automate verification of excluded individuals and qualifying activities:** Make use of real-time, synchronous, verifications to reduce worker and member burden. Use trusted data sources to auto-verify exclusions, and eligibility data for work hours and student status to clear verification rules when possible.
3. **Enable tech-driven outreach and engagement:** Use engagement analytics to trigger targeted communications and enable members to easily submit exclusion, exception, and qualifying activity documentation through consent-based technologies and intelligent document processing.
4. **Activate contact center outreach and community engagement:** Launch an omni-channel, iterative, and automated outbound contact center campaign that enables members to engage by phone, email, or chat. Track engagement and continue investing in the methods that prove most effective. Empower members to identify opportunities through embedded closed-loop referral capabilities and provide human-in-the-loop support to review verification documents when needed.
5. **Deploy a targeted support approach:** Utilize coordination specialists, equipped with enriched data and AI-advised triaging methods, to engage remaining members and provide context-relevant kiosks at high-traffic sites such as Walmart and community-based organizations to provide information and real-time support.

Last mile intervention in action

The following example shows how last-mile intervention can work in practice. "Molly" is part of the Adult Expansion Population, i.e., Group VIII, and must meet H.R.1 community engagement requirements when renewing her Medicaid in May 2027. Living in a rural area and serving as the full-time caretaker for her disabled sister, she faces barriers that make timely, personalized outreach and support especially important.

90+ days—Pre-renewal activities: As Molly's May 2027 Medicaid renewal approaches, the state uses population analytics, socio-demographic insights, and social determinants of health data that can be pulled into a central dashboard to identify members who may need tailored support. Because Molly lives in a rural area and faces potential barriers to engagement, she receives early outreach designed to raise awareness before action is required. With the insights provided in the dashboard, states can identify target populations that may benefit from earlier communication and create targeted outreach campaigns.

60 days—Renewal initiation: The state initiates renewal by attempting to verify eligibility through a variety of available data sources, but Molly cannot be renewed automatically. Engagement analytics show that she opened an earlier email, prompting a targeted follow-up reminder and information about local resources that may help her navigate next steps.

45 days—Initial communication attempts: With auto-renewal unavailable, Molly receives a renewal packet and more personalized outreach. Based on her location and prior engagement history, a phone call is identified as the most effective next step. During that conversation, Molly shares that she is no longer working because she is the full-time caregiver for her disabled adult sister, and that information is captured and added to her case.

30 days—Approaching the renewal deadline: As the deadline nears, care coordinators and eligibility staff focus on resolving Molly's case and reinforce an omni-channel approach to outreach and engagement. With a full view of her situation, a caseworker contacts her directly, confirms her caregiver status, and updates her file. Once the necessary information is recorded, Molly's coverage is renewed for an additional six months.

Looking ahead

States that pair automation with targeted, last-mile intervention will be better positioned to help eligible members maintain coverage as community engagement requirements take effect. Effective implementation will depend not only on efficient systems, but on the ability to reach and support members who are least likely to navigate new requirements on their own. Done well, this approach can close the last-mile gap, reduce churn and administrative burden, and prevent avoidable coverage loss.

Endnotes

1 Anna Mudumala et al., "The impact of H.R. 1 on two Medicaid eligibility rules," KFF, September 22, 2025.

2 KFF, "Medicare expansion enrollment," June 2025. RAND researchers estimate that West Virginia, Oregon, and New Mexico are on track to lose the highest percentage of Medicaid enrollees: Carl Smith, "These three states could lose the most Medicaid enrollees," Governing, March 31, 2026.

3 Medicaid.gov, "Community engagement," February 25, 2026.

4 "Overview of Individuals Impacted by H.R. 1 Work Requirement Policies in Medi-Cal and CalFresh," Legislative Analyst's Office, March 11, 2026.

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