Litigation related to federal healthcare policy changes

Mending Healthcare with Community

9/25/2026

Cases Covered

- California v. Centers for Medicare and Medicaid Services (2026 NBPP)
- California v. Kennedy (2027 NBPP)
- Mass. v. Oz (Medicaid Work Requirements)
- Oregon v. Kennedy (Kennedy Declaration re: gender-affirming care)
- Illinois v. Dept. of Health and Human Services (gender-affirming care Medicaid reimbursement)

California v. CMS – 2026 NBPP

United States District Court
District of Massachusetts

State of California, et al., Plaintiffs, v. Robert F. Kennedy, Jr. in his official capacity as Secretary of Health and Human Services, et al., Defendants.	Civil Action No. 25-12019-NMG

MEMORANDUM & ORDER

GORTON, J.

Limit on Essential Health Benefits Vacated

The Court previously concluded that HHS was required to submit such a report to Congress by January 1, 2026, the effective date of the Rule. HHS still has not done so and the government has not attempted to justify that failure. Indeed, the government does not mention §18022(b)(2)(B) at all in its pleadings. When asked about the issue at oral argument, the government maintained its position that the Agency is not required to submit such a report, notwithstanding the Court's clear ruling that it was required to do so. The Court reaffirms that ruling and finds that HHS has acted in contravention of the ACA by revising the EHBs without abiding by the relevant statutory requirement in §18022(b)(2)(B). Plaintiffs are entitled to summary judgment as to this provision.

The court upheld all other provisions the states challenged

- **Open Enrollment Provision** — "the conclusion of the agency . . . was rational."
- **Failure-to-Reconcile Provision** — "The question before the Court . . . is whether the Agency's decision was rational, not whether it is the best one possible or even whether it is better than the alternatives. [citations] That question is answered in the affirmative."
- **Premium Adjustment Provision** — "the agency acknowledged that the Rule will likely increase premiums and worsen the risk pool but concluded that the new methodology should be adopted notwithstanding those negative effects because it more accurately and consistently reflects congressional intent."
- **Actuarial Value Provision** — "The Agency has chosen to prioritize affordability and enrollment for unsubsidized consumers, believing it would ultimately benefit all consumers in the long term. That is not arbitrary or capricious."

But! Those provisions were all vacated in a different case

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

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CITY OF COLUMBUS ET AL.,

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Plaintiffs,

*

v.

* Civil No. 25-2114-BAH

ROBERT F. KENNEDY, JR. ET AL.,

*

Defendants.

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MEMORANDUM OPINION

California v. Kennedy (2027 NBPP)

IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

STATE OF CALIFORNIA; STATE OF NEW JERSEY; STATE OF ARIZONA; STATE OF COLORADO; STATE OF CONNECTICUT; STATE OF DELAWARE; STATE OF ILLINOIS; STATE OF MAINE; STATE OF MARYLAND; COMMONWEALTH OF MASSACHUSETTS; STATE OF MICHIGAN; STATE OF MINNESOTA; STATE OF NEVADA; STATE OF NEW MEXICO; STATE OF NEW YORK; STATE OF OREGON; JOSH SHAPIRO, in his official capacity as Governor of the COMMONWEALTH OF PENNSYLVANIA; STATE OF RHODE ISLAND; STATE OF VERMONT; COMMONWEALTH OF VIRGINIA; STATE OF WASHINGTON; STATE OF WISCONSIN,

Plaintiffs,

Case No. _____

COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF

Date:
Time:
Dept:
Judge:
Trial Date:
Action Filed:

Attempts to Reimpose Provisions already held unlawful

8. *First*, the 2026 Rule re-imposes four provisions that repeat almost verbatim the same provisions that a federal court already vacated upon finding them unlawful and arbitrary: the failure-to-reconcile provision, two income-verification provisions, and the special enrollment period income verification provision. *See City of Columbus v. Kennedy*, No. CV 25-2114-BAH, 2026 WL 1707125, 2026 U.S. Dist. LEXIS 130984 (D. Md. June 12, 2026) (*City of Columbus I*). These provisions are as unlawful and arbitrary now as they were in the 2025 Rule, and Defendants' attempt to impose them again fails for the same reasons.

Additional Challenged Provisions

90. However, the 2026 Rule vastly expands eligibility for catastrophic plans. Rather than confining eligibility to the narrow categories set forth in the ACA's text, the 2026 Rule makes everyone, nationwide, eligible for a hardship exemption granting access to catastrophic-plan enrollment so long as their income is below 100% FPL or above 250% FPL.

98. The 2026 Rule, however, permits bronze plans to offer cost-sharing that exceeds the statutory annual MOOP established by the ACA. 91 Fed. Reg. at 29,697-99. Specifically, the 2026 Rule "narrow[s] the flexibility proposed for individual market bronze plans such that these bronze plans are permitted to exceed the standard annual limitation on cost sharing by up to 130 percent of the standard annual limitation on cost sharing" as long as the insurer offers at least one bronze plan that complies with the statutory limitation. *Id.* This flatly contradicts the statutory text. *See* 42 U.S.C. § 18022(c)(1)(A) (establishing cost-sharing limits).

Also the subject of separate litigation, and a stay has been entered

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

*

CITY OF COLUMBUS ET AL.,

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Plaintiffs,

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v.

* Civil No. 26-2215-BAH

ROBERT F. KENNEDY, JR. ET AL.,

*

Defendants.

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MEMORANDUM OPINION

Mass. v. Oz – Medicaid Work Requirements

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

COMMONWEALTH OF MASSACHUSETTS, STATE OF CALIFORNIA, STATE OF NEW JERSEY, STATE OF ARIZONA, STATE OF COLORADO, STATE OF CONNECTICUT, STATE OF DELAWARE, DISTRICT OF COLUMBIA, STATE OF HAWAI'I, STATE OF ILLINOIS, OFFICE OF THE GOVERNOR ex rel. Andy Beshear, in his official capacity as Governor of the COMMONWEALTH OF KENTUCKY, STATE OF MAINE, STATE OF MARYLAND, STATE OF MICHIGAN, STATE OF MINNESOTA, STATE OF NEW MEXICO, STATE OF NEW YORK, STATE OF NEVADA, STATE OF NORTH CAROLINA, STATE OF OREGON, JOSH SHAPIRO, in his official capacity as Governor of the Commonwealth of Pennsylvania, STATE OF RHODE ISLAND, STATE OF VERMONT, COMMONWEALTH OF VIRGINIA, STATE OF WASHINGTON, STATE OF WISCONSIN,

Plaintiffs,

Case No. 26-12962

H.R. 1

Subchapter D—Increasing Personal Accountability

Time periods.

SEC. 71119. REQUIREMENT FOR STATES TO ESTABLISH MEDICAID COMMUNITY ENGAGEMENT REQUIREMENTS FOR CERTAIN INDIVIDUALS.

a State shall provide, as a condition of eligibility for medical assistance for an applicable individual, that such individual is required to demonstrate community engagement under paragraph (2)—

Significant Impairment Provision

"(ii) SPECIFIED EXCLUDED INDIVIDUAL.—For purposes of clause (i), the term 'specified excluded individual' means an individual, as determined by the State (in accordance with standards specified by the Secretary)—

"(V) who is medically frail or otherwise has special medical needs (as defined by the Secretary), including an individual—

"(aa) who is blind or disabled (as defined in section 1614);

"(bb) with a substance use disorder;

"(cc) with a disabling mental disorder;

"(dd) with a physical, intellectual or developmental disability that significantly impairs their ability to perform 1 or more activities of daily living; or

"(ee) with a serious or complex medical condition;

"(VI) who—

"(aa) is in compliance with any requirements imposed by the State pursuant to section 407; or

"(bb) is a member of a household that receives supplemental nutrition assistance program benefits under the Food and Nutrition Act of 2008 and is not exempt from a work requirement under such Act;

H.R. 1, section 71119

(i) An individual who is medically frail or otherwise has special medical needs is defined as an individual whose physical, mental, or other behavioral health condition significantly impairs the individual's ability to comply with the community engagement requirement in this subpart and is an individual:

91 Fed. Reg. 33348, 33472 (June 3, 2026)

Event	Date	Page Limit
Defendants' Production of the Administrative Record	August 14, 2026	N/A
Plaintiffs' Motion for Summary Judgment	September 1, 2026	30 pages
Defendants' Opposition to Plaintiffs' Motion for Summary Judgment and Cross-Motion for Summary Judgment	September 18, 2026	35 pages
Plaintiffs' Reply in Support of their Motion for Summary Judgment and Opposition to Defendants' Cross-Motion for Summary Judgment	September 28, 2026	20 pages
Defendants' Reply in Support of their Cross-Motion for Summary Judgment	October 7, 2026	15 pages
Proposed Hearing Date	October 13, 2026	N/A

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF OREGON
EUGENE DIVISION

STATE OF OREGON, STATE OF WASHINGTON, STATE OF NEW YORK, STATE OF CALIFORNIA, STATE OF COLORADO, STATE OF CONNECTICUT, STATE OF DELAWARE, DISTRICT OF COLUMBIA, STATE OF ILLINOIS, STATE OF MAINE, STATE OF MARYLAND, COMMONWEALTH OF MASSACHUSETTS, STATE OF MICHIGAN, STATE OF MINNESOTA, STATE OF NEW JERSEY, STATE OF NEW MEXICO, JOSH SHAPIRO, in his official capacity as Governor of the Commonwealth of Pennsylvania, STATE OF RHODE ISLAND, STATE OF VERMONT, and STATE OF WISCONSIN; Plaintiffs, v. ROBERT F. KENNEDY, JR., in his official capacity as the Secretary of the Department of Health and Human Services; THOMAS MARCH BELL, in his official capacity as Inspector General of the Department of Health and Human Services; the U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES OFFICE OF INSPECTOR GENERAL; and the UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES, Defendants.	Case No. 6:25-cv-02409 COMPLAINT

DECLARATION OF THE SECRETARY OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

RE: Safety, Effectiveness, and Professional Standards of Care for Sex-Rejecting Procedures on Children and Adolescents

Date: December 18, 2025

Declarant: Robert F. Kennedy Jr., Secretary of U.S. Department of Health and Human Services

Sex-rejecting procedures for children and adolescents are neither safe nor effective as a treatment modality for gender dysphoria, gender incongruence, or other related disorders in minors, and therefore, fail to meet professional recognized standards of health care. For the purposes of this declaration, "sex-rejecting procedures" means pharmaceutical or surgical interventions, including puberty blockers, cross-sex hormones, and surgeries such as mastectomies, vaginoplasties, and other procedures, that attempt to align an individual's physical appearance or body with an asserted identity that differs from the individual's sex.

Under 42 U.S.C. § 1320a-7(b)(6)(B), the Secretary "may" exclude individuals or entities from participation in any Federal health care program if the Secretary determines the individual or entity has furnished or caused to be furnished items or services to patients of a quality which fails to meet professionally recognized standards of health care. This declaration does not constitute a determination that any individual or entity should be excluded from participation in any Federal health care program. Any such determination could only be made after a separate determination under 42 C.F.R. § 1001.701, which is subject to further administrative and judicial review under 42 C.F.R. §§ 1001.2007,

HHS General Counsel Mike Stuart
@HHSGCMikeStuart

Today I referred Seattle Children's Hospital to @OIGatHHS for failure to meet recognized standards of health care as according to Sec Kennedy's declaration that sex-rejecting procedures for children and adolescents are neither safe nor effective. Our kids safety is critical!

3:29 PM · Dec 26, 2025 · **715** Views

UNITED STATES DISTRICT COURT

DISTRICT OF OREGON

Case No. 6:25-cv-02409-MTK

STATE OF OREGON, *et al.*,

OPINION AND ORDER

Plaintiffs,

v.

ROBERT F. KENNEDY, JR., *in his official capacity as Secretary of the Department of Health and Human Services, et al.*,

Defendants.

KASUBHAI, United States District Judge:

KASUBHAI, United States District Judge:

Unserious leaders are unsafe. There is nothing more serious than our leaders' dedication to the rule of law so that we might maintain the integrity of our constitutional democracy. This case highlights a leader's unserious regard for the rule of law. This case demonstrates how disregard for the rule of law does not merely result in an abstract infraction. Rather, and tragically, this case is one of a long list of examples of how a leader's wanton disregard for the rule of law causes very real harm to very real people.

The Court agrees with Plaintiffs that Defendants have failed to invoke *any* statutory authority that authorizes the Kennedy Declaration, much less an "unmistakably clear" one that would be required to supplant states' authority to regulate medical conduct. Indeed, the Medicare statute specifically states that it *shall not* "be construed to authorize any Federal officer or employee to exercise any supervision or control over the practice of medicine or the manner in which medical services are provided." 42 U.S.C. § 1395.

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

STATE OF ILLINOIS; STATE OF CALIFORNIA; STATE OF CONNECTICUT; STATE OF MARYLAND; COMMONWEALTH OF MASSACHUSETTS; STATE OF COLORADO; STATE OF DELAWARE; DISTRICT OF COLUMBIA; STATE OF HAWAI'I; STATE OF MAINE; STATE OF MICHIGAN; STATE OF MINNESOTA; STATE OF NEVADA; STATE OF NEW JERSEY; STATE OF NEW YORK; STATE OF OREGON; JOSH SHAPIRO, in his official capacity as Governor of the COMMONWEALTH OF PENNSYLVANIA; STATE OF RHODE ISLAND; STATE OF VERMONT; COMMONWEALTH OF VIRGINIA; STATE OF WASHINGTON; and STATE OF WISCONSIN, Plaintiffs,	CIVIL ACTION No. 26-cv-14051

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Parts 441 and 457

[CMS–2451–F]

RIN 0938–AV73

Medicaid Program; Prohibition on Federal Medicaid and Children's Health Insurance Program Funding for Sex-Rejecting Procedures Furnished to Children

AGENCY: Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services (HHS).

ACTION: Final rule.

§ 441.802 General rules.

(a) Except as provided in paragraph (c) of this section, a State plan must provide that the Medicaid agency will not make payment under the plan for sex-rejecting procedures for children under the age of 18.

(b) Except as provided in paragraph (c) of this section, FFP is not available in State expenditures for sex-rejecting procedures for children under the age of 18.

(c) FFP will remain available for cross-sex hormone therapy for a tapering period of up to 6 months from October 13, 2026, for beneficiaries who were receiving such therapy as of October 13, 2026.

CAUSES OF ACTION

COUNT ONE
ADMINISTRATIVE PROCEDURE ACT, 5 U.S.C. § 706(2)(C)
FINAL AGENCY ACTION IN EXCESS OF STATUTORY AUTHORITY

143. Defendants have no authority under the Medicaid Act, SSA, or any other statute to make sweeping determinations limiting the kind of "medical assistance" that is federally reimbursable.