



# Work Requirements for Medicaid



## What are Medicaid work requirements?

Building on the overwhelming success of food stamp work requirements, Medicaid work requirements require able-bodied adults to work, train, or volunteer for at least 20 hours per week to receive Medicaid benefits.



## Who do work requirements apply to?

Medicaid work requirements apply to able-bodied, working-age adults. These are adults between the ages of 19 and 64 who have no physical or mental disability keeping them from meaningful employment. Medicaid work requirements do not apply to children, seniors, or individuals with disabilities.



## Does Medicaid really need work requirements?

Yes. According to the Census Bureau, 52 percent of able-bodied adults on Medicaid do not work at all.<sup>1</sup> Just 16 percent work full-time all year. Work requirements are a simple, effective way to reverse this trend and help people get back to work.



## Are Medicaid work requirements legal?

Yes. The federal government has the legal authority to approve Medicaid waiver requests that advance the objectives of the program. One statutory objective is to help “families and individuals attain or retain capability for independence” which is exactly what work requirements do.<sup>2</sup> In fact, several states have already received approval and roughly a dozen additional states are moving the same direction.



## Have work requirements in other welfare programs been successful?

Work requirements in food stamps and cash assistance have been wildly successful. After work requirements, enrollees in both programs went back to work, their incomes more than doubled, and they were better off overall than they were before.<sup>3</sup>



## Will Medicaid work requirements increase administrative costs for states?

No. State systems are already designed to administer this type of work requirement, given that the Medicaid requirement mirrors the existing requirement in food stamps. Administrative costs are also driven largely by caseloads, suggesting that administrative costs may even decline. After Kansas implemented food stamp work requirements, administrative costs decreased.<sup>4</sup> And in Arkansas, the first state in history to implement a Medicaid work requirement, the policy change was instituted without hiring any additional staff.<sup>5</sup>



## How many people will be freed from welfare?

If every state implemented Medicaid work requirements, nearly 13 million able-bodied adults could be freed from welfare.<sup>6</sup>



## How much money would be freed up for the truly needy?

If every state implemented Medicaid work requirements, taxpayers could save nearly \$1 trillion over ten years – money that could instead be spent on care for seniors, kids, and individuals with disabilities.<sup>7</sup>

1. Authors' calculations based upon data provided by the Census Bureau on the work experience of non-disabled, working age adults who reported receiving Medicaid in 2015 and earning less than 138 percent of the federal poverty line in 2015. See, e.g., Census Bureau, "Current population survey: Annual social and economic supplement," U.S. Department of Commerce (2017), <https://www.census.gov/cps/data/cpstablecreator.html>.
2. "Opportunities to Promote Work and Community Engagement Among Medicaid Beneficiaries," Center for Medicaid and CHIP Services, Centers for Medicare and Medicaid Services, (2018) <https://www.medicaid.gov/federal-policy-guidance/downloads/smd18002.pdf>.
3. Jonathan Ingram and Nic Horton, "The power of work: How Kansas' welfare reform is lifting Americans out of poverty," Foundation for Government Accountability (2016).
4. Ibid.
5. Nicholas Horton, "Let's Get Real: Arkansas' Work Requirement Reporting Rules Are Anything But Onerous," Townhall (2018), <https://townhall.com/columnists/nicholashorton/2018/08/23/lets-get-real-arkansas-work-requirement-reporting-rules-are-anything-but-onerous-n2512445>.
6. "Medicaid Work Requirements," Foundation for Government Accountability, <https://thefga.org/wp-content/uploads/2017/02/Medicaid-work-requirements-one-pager.pdf>.
7. Ibid.