



Top 10 Reasons Why Work Requirements Should Not Be Added to Medicaid

By: [Mara Youdelman, David Machledt & Emma Parker-Newton](#)

Medicaid's objective is to provide comprehensive health coverage so low-income people can get the affordable health care they need. Medicaid coverage often enables work. [Evidence](#) suggests Medicaid helps more people work, including people with disabilities whose employment participation [increased](#) when Medicaid coverage expanded. If the goal is to increase employment, supports like Medicaid (as well as affordable child care and job training) are the foundation. And fully [91%](#) of Medicaid enrollees are workers, students, caregivers, or individuals who are not working due to illness or disability. Unfortunately, work requirements tend to do the opposite – they generate a morass of paperwork and documentation requirements, add costs for states to administer, and leave too many people – including older adults and people with disabilities – without any health care coverage at all. For examples of the individuals who would be impacted by work requirements, see NHeLP's [Who is Harmed by Medicaid Work Requirements?](#)

Work requirements often have the reverse effect and take healthcare coverage away from people. Some workers will lose coverage because low-wage work is by nature [unstable and inconsistent](#). Their employer doesn't offer enough hours or only offers the late shift when they need to be home with their young children after school. Many will not be able to meet the monthly requirements due to no fault of their own. Older adults or people with disabilities who face major barriers to work may not understand how to apply for an exemption, may not fit restrictive definitions for exemptions, or lack required verification documents.

Work requirements also create more documentation requirements for applicants and enrollees. In every program where work requirements have been implemented, a large share of participants have lost coverage simply because the process to show they were working (or qualified for an exemption) was too complicated or difficult to access. Work requirements lower Medicaid costs because fewer enrollees stay enrolled. An [analysis](#) from the Congressional Budget Office (CBO) found that imposing a national requirements allowing for many exemptions (any adult with dependents or that would qualify for SSI or Disability

Insurance) would still result in 2.2 million adults losing Medicaid coverage per year (and they would subsequently experience increases in medical expenses).

Here are the Top 10 Reasons work requirements should not be included in Medicaid:

1. **Work requirements do not improve health.** Being in poor health is associated with an [increased risk of job loss](#). Access to affordable health insurance has a positive impact on people's ability to get and maintain employment. To date, Arkansas is one of only two states that actually implemented work requirements in Medicaid. In addition to more than [18,000 of Arkansans losing Medicaid](#), the work requirements led to worse health and economic outcomes for those affected. People reported [delaying care, rationing medication, and incurring increased medical debt](#).
2. **Work requirements do not improve employment outcomes.** Arkansas' work requirement program did not improve employment. Other social programs with work requirements have only documented [fleeting or non-existent](#) gains. Most Medicaid enrollees who can work are already working [full or part-time](#). Those who are not in the paid workforce often are caregiving, attending school, or experience [barriers to employment](#) such as a lack of accommodations and services for people with disabilities. Many low-wage jobs do not offer [health insurance](#) or affordable insurance, making Medicaid essential to provide access to care to remain able to work.
3. **Paperwork burdens and red tape increase dramatically.** Every state would have to develop an entirely new administrative system to identify, track and document both those who have to meet work requirements and those who would be exempt, and track them every month. In Arkansas, [nearly half](#) of the population targeted by work requirements reported never hearing of the policy or was not sure it applied to them. As highlighted in [PBS NewsHour](#), Adrian McGonigal, a full-time worker in Arkansas, lost his Medicaid because the notice the state sent was difficult to understand and he believed that he only needed to verify his work hours once, instead of every month as required. [In Georgia](#), an average of \$13,000 was spent on each enrollee, primarily on the implementation of the eligibility and enrollment system "Gateway." This resulted in administrative costs being five times greater than healthcare spending. Work requirements bureaucracy spends millions of dollars on tracking that could instead pay for health services that help people get and stay employed.
4. **Work Requirements Could Raise States' Healthcare Costs.** Work requirements would significantly increase state costs without improving employment outcomes. In one recent report, an estimated [1.5 million enrollees](#) would lose federal funding

annually. This would shift their healthcare costs 100% to states. CBO estimated States would spend an additional \$65 billion from 2023-2033 if they maintained coverage for affected individuals. If all states chose to use state funds to compensate for the loss of coverage caused by federal work requirements, it is estimated that the policy would shift [\\$10.3 billion in costs](#) from the federal government to the states. Work requirements would lead to higher state expenses and uninsured rates without delivering improvements in employment outcomes.

5. **Exemptions for people with disabilities do not work.** People with disabilities would need documentation from a medical professional, and prior legislative proposals have not defined what it means to be “unfit for work.” SNAP has an exemption, but it has not worked well. One study from [Franklin County, Ohio](#) found that one-third of individuals required to participate in a SNAP employment and training program to keep their benefits reported a physical or mental limitation. Additionally, almost 20% of these non-exempted individuals had filed for SSI or SSDI within the previous two years. Similarly, a report from the [Congressional Budget Office](#) (CBO) indicates that 35% of SNAP participants nationwide report such limitations.
6. **Exemptions for caregivers are insufficient.** While most states that had Medicaid work requirement proposals included exemptions for caregivers of children under age six, these often exclude those caring for older children or adults. Georgia’s current [Pathway program](#), however, does not offer any exemptions. Even when caregivers qualify, they face additional barriers to maintaining the coverage necessary for their own health and their ability to provide essential care.
7. **Work Requirements take away Medicaid from older adults.** Older adults are significantly more likely to have [serious, chronic health conditions](#) that, while not qualifying for federal disability assistance, will affect their ability to work. These conditions often make it difficult to sustain [full-time employment](#) and access the care needed to manage their health effectively.
8. **Work requirements make it harder to get reproductive and sexual health care.** Work requirements will restrict access to [reproductive and sexual](#) health care for people with low incomes, and especially parents, Black, Latinx, and other people of color, and people with disabilities. Medicaid is the [leading source](#) of coverage for family planning. Protecting access to comprehensive coverage, through Medicaid, ensures that people can decide when they want to start a family.

9. **Sufficient work hours are often unavailable.** Even if an individual finds regular work, documenting it every month can be challenging. According to [KFF](#) many Medicaid adults who work part-time (30% of all workers) cited reasons including work limits such as shorter work weeks (less than 35 hours per week) (12%), slack work/business conditions (14%), or inability to find full-time work (6%). Or if employers change their schedules, as many low-wage jobs do, individuals may meet requirements one month but not another and risk losing Medicaid only to become eligible again the next month. This churn of people on-and-off would add burdens to individuals to re-apply and state Medicaid agencies to process applications.

10. **Rural residents are particularly hurt by work requirements.** States implementing work requirements create logistical challenges for rural residents. A lack of transportation can make meeting work requirements difficult as public transportation is often limited or non-existent in rural communities. Additionally, rural communities across the United States have lower rates of internet access, making it difficult for enrollees to meet compliance requirements. For example, in Arkansas, the only method of reporting was an online portal, despite 23% of non-elderly adult enrollees lacking [internet access](#) and the website not being mobile-friendly.

As evidenced in [Arkansas](#), rather than promoting work, work requirements did not increase employment, led to adverse health consequences, and caused thousands to lose coverage. In the case of Georgia, [hundreds of thousands](#) of individuals were unable to enroll at all. That number could be millions if implemented nationwide.