Got Your (Work) Number: The Intersection of Medicaid Eligibility Data Sources and Work Requirements

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The so-called "One Big Beautiful Bill Act" (OBBBA) requires that, by January 1, 2027, all states that have expanded Medicaid (including Georgia and Wisconsin, which have "partial" or "look-alike" expansions) impose work or "community engagement" requirements on their expansion populations.[1] At a minimum, these states will have to verify Medicaid enrollees' compliance with the work requirements or exempt status 2 times per year, although states have the option to verify more frequently.[2] States must also verify new applicants' compliance with work requirements or exempt status for at least the month preceding the application, but may implement a lookback period of up to 3 months.[3]

These new work reporting requirements are set to impose considerable administrative burden on applicants, enrollees, and states. The Congressional Budget Office (CBO) estimates that 5.2 million people will lose Medicaid coverage by 2034 due to work requirements.[4] Most of those losses are likely to occur not because people are not compliant with or exempted from the work requirements, but instead because they cannot navigate the red tape associated with demonstrating their compliance or exempt status.[5] For this reason, it is critical that states take all possible steps to utilize technology in a way that promotes coverage retention and prevents termination of individuals who are actually eligible.

Ex Parte Verification of Medicaid Eligibility

Federal law and regulations require states to have procedures to verify income and eligibility information for their Medicaid programs.[6] States must outline their Modified Adjusted Gross Income (MAGI)-based verification policies and procedures in verification plans, which are submitted to the Centers for Medicare & Medicaid Services (CMS).[7] States must document their non-MAGI verification plan in internal policies. Generally, states may accept self-attestation of eligibility information, except for certain criteria such as citizenship and immigration status.[8]

States must also check data sources and other internal sources to verify eligibility information (ex parte) and must request information from the applicant or enrollee only as a last resort.[9] States have some latitude to determine which sources they will use in verifying income and eligibility information, but must use at least the sources described at 42 C.F.R. § 435.948 as long as the state determines those sources are useful.[10] Similarly, OBBBA mandates that, wherever possible, states must use "reliable information" that they already have available to verify compliance with work requirements, without requiring the individual to submit additional information.[11] The same is true for verifying exemptions, except that states are permitted to accept self-attestation of exemption factors and must verify on an ex parte basis only if they elect not to accept self-attestation.[12]

Ex parte verification broadly benefits applicants, enrollees, and states. It is less costly and less time-consuming than requiring manual verification. Not only is ex parte verification wherever possible required as a matter of federal law and regulation but simplifying eligibility verification processes will promote stability and consistency for states, applicants, and enrollees during this tumultuous time. Ex parte verification also saves states time, money, and resources in the eligibility verification process.

However, care must be taken to ensure that the data states access through the ex parte process is accurate, reliable, and up to date. Bad data matching can have disastrous consequences for Medicaid applicants and enrollees. The Work Number (TWN), a commonly used eligibility verification data source, has known accuracy and reliability issues which have negatively impacted enrollees of other public benefits programs, including the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Supplemental Security Income (SSI). As granular employment data (such as hours worked) becomes more relevant to Medicaid eligibility, and as states build out their eligibility and enrollment systems' capacity to comply with OBBBA's new requirements, it is imperative that care is taken to avoid coverage losses connected with The Work Number's shortcomings.

Common Sources Used to Verify Income and Their Reliability

States use a variety of data sources to verify Medicaid applicants' and enrollees' income on application for Medicaid, at annual renewal, and at certain intervals in between annual renewals (post-enrollment). A survey of the 50 states' and Washington, D.C.'s Medicaid/Children's Health Insurance Program (CHIP) MAGI-Based Eligibility Verification Plans show some of the most commonly used sources at each verification stage:[13]

Source	Application	Renewal	Post-Enrollment
State Wage Information Collection Agency (SWICA)	38 states	42 states	35 states
State unemployment compensation agency	38 states	44 states	32 states
The Work Number (TWN)	33 states	39 states	21 states
SNAP and TANF	26 states	33 states	23 states
Internal Revenue Service (IRS)	27 states	27 states	11 states
Public Assistance Reporting Information System (PARIS)	3 states	3 states	16 states

A SWICA is the agency that receives quarterly wage reports from employers within a state; in some states, it may also be the agency operating the state's unemployment compensation program.[14] The state unemployment compensation agency is most often the state's labor department or equivalent entity.[15] Some states with integrated eligibility systems use SNAP and TANF data to assist with Medicaid eligibility determinations.[16] PARIS is a database operated by the Administration for Children and Families, which provides data on certain types of income, such as Department of Veterans' Affairs (VA) benefits and federal retirement payments.[17] "The Work Number" is a commercial database offering employment verification services in a variety of contexts.

Using Common Data Sources to Verify Work Requirements Information

As a threshold matter, none of these common data sources are built to provide real-time updates or information. These sources were not designed to provide the kind of on-demand reporting that will be required to implement work requirements. Most of them only update on a quarterly basis, and the IRS has reporting delays of as long as 18 months.

TWN is slightly different in that it does not have a specific periodic schedule for updates. However, this does not eliminate the possibility of reporting delays. TWN is updated per pay period, meaning that, depending on how a reporting employer's pay periods are structured, information could be weeks old by the time it is pulled for a data match. Reporting delays can

also occur if a person has had their TWN report "frozen," a process where individuals make their TWN reports difficult or essentially impossible to review by requesting that Equifax place a "freeze" on their data if the individual believes it is inaccurate (an exceedingly popular recommendation in certain privacy-minded online circles).[18] Conversely, the quarterly wage data contained in a SWICA or the federal income data contained in PARIS cannot be similarly "frozen."

States should be acutely aware of these delays when using any of these sources to verify wage and employment information in connection with work requirements. For a person whose continued benefits depend on reliable and timely data matching, such delays could be devastating. Consider the following:

- An employed Medicaid enrollee subject to work requirements who must record employment activities equivalent to 20 hours per week to retain their benefits. Data sources that update on a quarterly basis (or even less often, in the case of the IRS), will be limited in their utility in this situation. TWN will also be of little help. Because of its per-pay-period reporting structure, a data match pulled on April 29 for an individual whose employer posts payroll bimonthly may make it appear as if this individual has not worked since mid-April, when payroll was last posted.

- An employed Medicaid enrollee subject to work requirements who must record employment activities equivalent to 80 hours per month to retain their benefits. They have fluctuating work hours, which puts them at risk of not meeting the 80-hour requirement.[19] They "make up" the remainder of the hours in the last week of the month, but due to data matching delays, those hours do not appear when their report is pulled at the beginning of the following month, and in fact may not appear until the middle of the following month.

Both of these individuals are at risk of being flagged "noncompliant" with work requirements for reasons that have nothing to do with whether they are actually meeting the requirements – the issue is instead the limitations of the data matching software used to track their compliance. In either of these situations, the enrollee is at risk of triggering OBBBA's "noncompliance" procedure, wherein they will have 30 calendar days to demonstrate compliance with work requirements (or that the work requirement does not apply to them).[20] But the issue has nothing to do with whether the enrollee is actually compliant with the work requirements – in fact, the hypothetical enrollee in each of these scenarios actually **is** compliant. Instead, the issue is the limitations of the data matching software used to track their compliance.

This data matching software's shortcomings put enrollees at risk of having to undertake additional work to prove their compliance, generating additional administrative burdens, which often lead to coverage disruptions and losses. For example, the vast majority of coverage losses during the first 7 months of work requirements in Arkansas were due to administrative issues (including enrollees not being able to make an online account to report their work hours) and not because people were actually failing to meet the requirements or obtain exemptions.[21] And Georgia's Pathways to Coverage demonstration project has been so mired in administrative difficulties (including poor infrastructure for enrollees to upload documentation of their work hours) that, by late 2024, the state had effectively stopped enforcing the program's monthly work reporting requirement, instead only verifying compliance on an annual basis.[22]

These databases also risk being largely ineffective at capturing "nonstandard" work, such as gig work, for which formal payment documentation is typically limited.[23] Moreover, given that gig workers and other independent contractors are not technically employees of the company on whose behalf they perform services, it is unlikely that their work is being reported to a SWICA or TWN.[24] The IRS likely has their tax data, but given that IRS data is generally very outdated, it is not an ideal source for verifying an individual's compliance with a work requirement at the frequency that OBBBA requires. And this income would not be detected by a PARIS data match, because PARIS data matches are limited to a small number of specific types of income.[25]

The upshot of these structural limitations an individual who is, in actuality, complying with work requirements may not have that work "seen" by the data matching software used to verify their employment. Given that gig workers and people in "nonstandard" work arrangements are more likely to rely on programs such as Medicaid (as well as SNAP and TANF), they stand to be disproportionately harmed not only by bad data matching when it occurs, but by the limitations of the system itself.[26]

While states will need to be aware of and prepared to address the timeliness issues inherent within all of these systems when implementing work requirements, the accuracy of income data from SWICAs, state unemployment compensation agencies, the IRS, and PARIS has not widely been called into question. TWN, on the other hand, is an outlier in that it has repeatedly come under fire because of issues with its security, accuracy, and reliability in a way that other electronic data sources have not.

The Work Number: A Brief History and How it Works

The Work Number (TWN), owned by credit reporting company Equifax, is a commercial database offering employment verification services in a variety of contexts. The Work Number was created in 1985 by the Talx Corporation, and Equifax acquired it in 2007. TWN has had a strong presence in the public benefits space for years, and its footprint is only growing. By Equifax's own reporting, The Work Number provided "social service verifications" for over 25 million people in 30 states in 2023.[27] Equifax earns around $800 million per year from TWN and estimates that the actual market for its services may be as large as $5 billion.[28] The market will likely continue to expand as the need for employment and income verification services grows due to OBBBA changes to Medicaid eligibility, including the implementation of work requirements.[29]

To operate, The Work Number relies on income and employment data provided directly by employers. It does not retrieve information itself. As described above, TWN's data is updated at the end of each participating employer's pay cycle on a rolling basis.[30] For example, if Employer A consistently posts payroll on the 1st and 15th days of the month, and Employer B posts payroll on the final business day of the month (which is variable), that is when new TWN data for each employer will populate. In theory, TWN can offer information in real time about a person's employment status and history, including their wages and hours worked.[31] However, this is not the full story. While TWN may allow for real-time **access** to employment and wage data, the data itself is not updated in real time. Depending on a given employer's pay cycles, it could lag 2-4 weeks behind. This is an important distinction for states to consider while deciding whether and how to use TWN.

Moreover, this information is limited to information provided by participating employers. In this way, TWN functions differently than other databases. For instance, virtually all employers are **required** by federal law to file quarterly wage reports with their state unemployment compensation agency (often the same agency as the SWICA).[32] Similarly, employers are also required to report wage data to the IRS. PARIS operates using data provided directly by the VA, the Department of Defense (DoD), and the Office of Personnel Management (OPM), against which states verify information reported by applicants and enrollees.[33] States are required to provide for data matching through PARIS in their Medicaid eligibility systems.[34]

Unlike these other data sources, participation in TWN is not mandatory, nor is its usage governed by any specific set of rules or requirements. Thus, while the data contained in any of these other databases may be older, it is reasonable to expect that it will be more comprehensive than TWN data. In addition to its lack of comprehensiveness, TWN is also uniquely prone to inaccurate reporting.

Known Accuracy Issues with The Work Number

Unlike other data sources, such as SWICAs and PARIS, TWN has had a number of publicly identified accuracy and reliability issues. Employer misreporting, lack of employer reporting, identity theft, and "mixed files" can all impact the accuracy of an individual's TWN report, putting them at risk of coverage disruption or loss if that inaccurate information is used to verify their Medicaid eligibility, including compliance with or exemption from work requirements.[35]

As far back as 2004, consumers were raising concerns about inaccuracies in the data that TWN reported about their employment, including lesser job titles and reports suggesting they had been "terminated" from their jobs rather than separated voluntarily.[36] Little has changed in the intervening decades. In 2014, a recipient of SNAP and TANF benefits in California was charged with fraud for allegedly failing to report earned income based on a TWN report that falsely showed she worked at a restaurant where she had never been employed.[37] And a putative class action lawsuit filed in 2024 related the tale of a plaintiff, the victim of extensive identity theft, whose TWN report falsely showed her as simultaneously employed at different businesses in Alabama and Florida, over 600 miles apart.[38] The erroneous report caused her to lose her SNAP benefits in Virginia, her actual state of residence, where she was a homemaker.[39]

TWN's unreliability also extends to other public benefits programs, having caused issues for SSI recipients. One individual reported owing $5,500 in overpayments to the Social Security Administration (SSA) because her TWN report misclassified travel reimbursements (which are not considered income for SSI purposes) as overtime pay (which *is* considered income for SSI purposes).[40]

A sample of complaints to the Consumer Financial Protection Bureau (CFPB) about TWN reveals how pervasive, long-running, and seemingly insurmountable for consumers the database's accuracy issues are:

- A complainant in 2015 reported that TWN provided inaccurate information to a potential employer and that, when the complainant attempted to report the inaccuracy, Equifax tried to verify their identity using that same incorrect information, so the complainant was not able to remediate the issue.[41]

- A complainant in 2018 reported that Equifax was attempting to verify their identity using questions to which the complainant did not know the answers and that it was not clear where the information on which the questions were based had come from.[42]

- A complainant in 2019 reported that their TWN report reflected multiple 1-month employment stints at places they had never worked and a residential address in Georgia despite this individual living in Mississippi. Their multiple attempts to rectify the issue with Equifax had been unsuccessful.[43]

- A complainant in 2022 reported that their TWN report stated that they had not been employed since earlier in 2022, despite the fact that they were presently employed. They were concerned the discrepancy (which they had not been able to remediate at the time of the complaint) would impede their ability to obtain a loan.[44]

Accuracy issues like these can be extremely damaging in the work requirements context and the broader public benefits context. A report falsely showing that a program enrollee is not working could result in the loss of their benefits when continued receipt of those benefits depends on the recipient maintaining employment or other "community engagement" activities.[45] A report falsely showing that an enrollee lives in a state other than the state where they currently receive benefits could result not only in the loss of their benefits, but, in some programs, possible sanctions and even criminal charges.[46] A report falsely showing that an enrollee has employment or income beyond what they actually have could result in inaccurate income reporting and loss of benefits.[47] Moreover, a common thread throughout the complaints is Equifax's total lack of accountability, placing the onus on consumers to attempt to fix the inaccuracies in their TWN reports. For a Medicaid enrollee, this is yet another barrier to coverage on top of the work requirement itself.

Less Commonly Used Sources of Employment and Earnings Data

Given the limitations of TWN and other databases used for verification, states should consider using other, less commonly used sources in tandem with TWN and the other, more common databases to help ensure they are getting the most comprehensive picture of an applicant or enrollee's compliance with work requirements. The National Directory of New Hires (NDNH) and the Beneficiary Earnings Exchange Record (BEER) are 2 additional sources to consider.

The NDNH is a federal database that was established in 1996 to assist in enforcing child support orders, although its applications have since expanded.[48] The NDNH tracks employment information based on reporting to State Directories of New Hires, including quarterly wage data and unemployment insurance information. It does not track work hours.

In general, the NDNH is considered effective in a variety of arenas.[49] It is used by a small number of states at each stage of the eligibility verification process.[50] And BEER is a subset of SSA's BENDEX data exchange (discussed below). BEER provides tax return information to authorized entities, such as states.[51] It does not track work hours. BEER is also used by a small number of states at each stage of the eligibility verification process.[52]

Data Matching to Track Work Requirements Exemptions (*e.g.*, Disability, Age)[53]

OBBBA exempts Medicaid enrollees from work requirements if they meet at least 1 of the following conditions:

- Being a "specified excluded individual" (*i.e.*, subject to one of the law's stated exemptions, such as being "medically frail" or having a substance use disorder (SUD));
- Being under the age of 19;
- Being eligible for or enrolled in Medicare Part A;
- Being enrolled in Medicare Part B;
- Being eligible for Medicaid through a pathway other than expansion; or
- Having been an inmate of a public institution within the last 3 months.[54]

Importantly, OBBBA permits states to accept self-attestation of all of these factors; further verification is not required unless the state elects to require it.[55] Self-attestation is the simplest and most inexpensive eligibility verification approach, and it carries the lowest risk of erroneous procedural denials or terminations of coverage. However, if a state still opts not to accept self-attestation of these factors, OBBBA requires that states adhere to the same ex parte verification rules that already apply to other Medicaid eligibility verification tasks: they must use available data and only request information from the applicant or enrollee as a last resort.[56]

As states must ensure quality, reliable data matching to verify compliance with work requirements, so must they ensure that exempt individuals are identified to the maximum extent possible to prevent erroneous coverage disruption or loss. When Arkansas implemented work requirements in 2018, the state attempted to use data matching to identify enrollees who should have been exempted according to program criteria, but the data matching was not reliable and people who should have been exempted often fell through the cracks.[57] It is imperative that the same mistakes are not repeated as national work requirements take effect.

Most states (42) verify age and date of birth either through the SSA Composite or a direct state connection to an SSA data exchange. The SSA Composite is an online service that

verifies SSNs, citizenship, identity, date of birth, and Social Security income records.[58] It is accessible through the Federal Data Services Hub (FDSH), a single point that provides access to multiple data sources.[59] For household composition and caretaker relative status, most states (30 and 26 respectively) accept self-attestation and do not conduct further data matching. By law, states must accept self-attestation of pregnancy status.[60] Disability status is generally verifiable by data found in one of the data exchanges below.

Social Security Databases

Beneficiary & Earnings Data Exchange (BENDEX)

BENDEX is a batch data exchange from SSA that communicates with the states within 48 hours of a request for information.[61] SSA considers BENDEX "the authoritative source of information on SSA benefits" (both Title II [Social Security Disability Income (SSDI)] and Title XVI (SSI)).[62] The main purpose of BENDEX is to assist states in administering their TANF and Medicaid programs.[63] BENDEX is also used in the administration of state Medicare Buy-In programs.[64] Among other information, the BENDEX record contains the person's date of birth, the date of "disability onset" (where applicable), the category of assistance for which they have been found eligible, and data about benefits such as Medicare, Hospital Insurance, SSI, and Supplemental Medical Insurance.[65] BENDEX data is pulled from the Master Beneficiary Record (MBR), an electronic system which contains certain information about all Social Security claimants.[66]

BENDEX is a source that states can use to verify some exemptions from work requirements based on age, disability, and Medicare eligibility or enrollment. According to the available MAGI-based eligibility verification plans, several states already use BENDEX to verify SSNs (2) and Medicare status (6).[67] However, BENDEX will not contain comprehensive age or disability information because not all individuals with disabilities receive SSDI or SSI benefits. Thus, while BENDEX is one tool that states have in their toolboxes, it is not, on its own, a sufficient source of information to verify exemptions from work requirements. States should continue to build out their capacity to identify exemptions to the maximum extent possible, including tapping into multiple sources if necessary.

State Data Exchange (SDX)

SDX is a batch data exchange from SSA that communicates with states within 48 hours of a request for information.[68] SDX provides Title XVI (SSI) information (*i.e.*, disability status and related data) to states to assist them in administering their Medicaid and State Supplemental

Programs.[69] The SDX record also contains the individual's current Medicare entitlement status.[70] SDX is a source that states can use to verify some exemptions from work requirements based on disability status and age, as well as Medicare status on a limited basis. However, like BENDEX, SDX will not contain comprehensive age or disability information. Thus, while it is a useful tool for states, it is not a comprehensive information source. Again, states should continue to build out their capacity to identify exemptions to the maximum extent possible, including tapping into multiple sources if necessary.

State Verification & Exchange System (SVES) & State On-line Query (SOLQ)/State On-line Query-Internet (SOLQ-I)

SVES is a batch data exchange from SSA that mostly communicates with states within 24 hours of a request for information.[71] SVES provides a single point for states to verify SSNs, earnings information, and Title II (SSDI) and Title XVI (SSI) information such as disability status and related data where ordinarily each data point would have to be verified in a different database.[72] States can also make "non-native" queries through SVES to other data exchanges, such as BENDEX and SDX.[73] The SVES record contains similar information to the BENDEX and SDX records.[74]

SOLQ/SOLQ-I is "online SVES."[75] It is a newer data exchange that allows real-time access to much of the same information contained in SVES. However, unlike SVES, SOLQ/SOLQ-I cannot be used to access "non-native" records.[76] Specifically, this means that SOLQ/SOLQ-I cannot retrieve information from BENDEX, BEER, or SDX.[77] Thus, while SOLQ/SOLQ-I provides the advantage of real-time access to information (as opposed to other batch data exchanges that update overnight or even over the course of several days), it is limited in the data it can actually access. Again, states should continue to build out their capacity to identify exemptions to the maximum extent possible, including tapping into multiple sources if necessary.

Conclusion

States are under considerable pressure to implement work requirements and exemptions on an extremely truncated timeline. In doing so, it is imperative that states prioritize harm reduction and coverage retention. Automating Medicaid eligibility verification tasks (including determining compliance with or exemption from work requirements) is not only the law, but it is also good practice. When deciding how to implement data matching to verify compliance with and/or exemptions from work requirements, states must be acutely aware of every data source's limitations and must implement proactive solutions to limit coverage disruption and loss to the maximum extent possible.

ENDNOTES

[1] *See* Pub. L. No. 119-21 § 71119, 139 Stat. 72 (2025) (hereinafter "OBBBA"); *see also* 42 U.S.C. § 1396a(xx)(1). OBBBA provides that states can apply for a 2-year extension of the implementation deadline, but federal officials have indicated that they intend to grant very few extension requests. *See* 42 U.S.C. §§ 1396a(xx)(11)(A), (C); *see also* Margot Sanger-Katz & Sarah Kliff, *How Medicaid's New Work Requirement Will Work*, N.Y. Times (Nov. 3, 2025), https://www.nytimes.com/2025/11/03/upshot/medicaid-work-requirements-faq.html.

[2] 42 U.S.C. §§ 1396a(xx)(1)(B)(i)-(ii), (4).

[3] *Id*. at § 1396a(xx)(1)(A).

[4] *See* Elizabeth Hinton et al., *A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law*, KFF (Jul. 30, 2025), https://www.kff.org/medicaid/a-closer-look-at-the-work-requirement-provisions-in-the-2025-federal-budget-reconciliation-law/.

[5] *See, e.g.*, Leonardo Cuello, *How Do We Know Congress's Work Requirements in Medicaid Will Fail? They Already Have.*, Georgetown U. Ctr. for Children & Families (May 13, 2025), https://ccf.georgetown.edu/2025/05/13/how-do-we-know-congresss-work-requirements-in-medicaid-will-fail-they-already-have/.

[6] *See, e.g.*, 42 U.S.C. §§ 1320b-7, 1396w, and 1396a(a)(46)(A); 42 C.F.R. §§ 435.940-435.956 and 457.380.

[7] 42 C.F.R. §§ 435.945(j), 457.380(j) (requiring MAGI verification plans to be developed, updated as modified, and submitted to the HHS Secretary upon request); *see also* CMS, *CMCS Informational Bulletin: Financial Eligibility Verification Requirements and Flexibilities* 5 (2024), https://www.medicaid.gov/federal-policy-guidance/downloads/cib11202024.pdf (hereinafter "CMCS Verification Bulletin").

[8] *See* 42 C.F.R. § 435.945.

[9] 42 C.F.R. §§ 435.907, 435.916(b), 435.952(c); *see also* 42 C.F.R. §§ 435.945, 457.380, CMCS Verification Bulletin, *supra* note 7.

[10] States must consider a variety of factors in deciding whether a source is useful; the age of the data alone is not sufficient. CMCS Verification Bulletin, *supra* note 7 at 7. For example, although the SWICA is a required data source if useful, Maine has determined it is not useful because the data is old and only available via reports that must be "worked manually." Therefore, Maine is not required to and does not use it. CMS, Maine MAGI-Based Eligibility Verification Plan (May 5, 2020), https://www.medicaid.gov/medicaid/eligibility/downloads/maine-verification-plan-template-final.pdf.

[11] 42 U.S.C. § 1396a(xx)(5).

[12] *Id*. at § 1396a(xx)(3)(A).

[13] CMS, *Medicaid/CHIP Eligibility Verification Plans*,
https://www.medicaid.gov/medicaid/eligibility/medicaidchip-eligibility-verification-plans.

[14] 45 C.F.R. § 205.51(b).

[15] In some states, it is the state human services department, a specialized employment
security department or office, a specialized workforce development department or office, or
the state commerce department.

[16] SNAP itself relies on many of the same sources as Medicaid to verify income. *See, e.g.*, Ctr.
on Budget & Pol'y Priorities, *How to Streamline Verification of Eligibility for Medicaid and SNAP*
(Jul. 18, 2024), https://www.cbpp.org/research/health/how-to-streamline-verification-of-
eligibility-for-medicaid-and-snap. TANF requires that states have in effect an income and
eligibility verification system (IEVS). *See* 42 U.S.C. § 1320b-7.

[17] *See* Admin. for Children & Families, *Public Assistance Reporting Information System: History*
(Oct. 19, 2023), https://acf.gov/paris/about/history; *see also* Admin. for Children & Families,
Federal Match File User's Manual 2-3 (2008) (hereinafter "Federal Match Manual"),
https://acf.gov/sites/default/files/documents/paris/federal%20match%20file%20user%20man
ual.pdf, Admin. for Children & Families, *Veteran Affairs Match File User's Manual* 3-4, 17-18
(2008) (hereinafter "VA Match Manual"),
https://acf.gov/sites/default/files/documents/paris/VA%20Match%20File%20Manual.pdf.

[18] *See* Equifax, *Freeze Your Data*, https://employees.theworknumber.com/employee-data-
freeze (last visited Nov. 7, 2025).

[19] Liz Ben-Ishai, *Volatile Job Schedules and Access to Public Benefits*, CLASP (Sept. 16, 2015),
https://www.clasp.org/sites/default/files/public/resources-and-publications/publication-
1/2015.09.16-Scheduling-Volatility-and-Benefits-FINAL.pdf.

[20] *See* 42 U.S.C. § 1396a(xx)(6)(A)(ii)(I)(aa)-(bb).

[21] Morgan A. Henderson et al., *Reporting Requirements Matter (A Lot): Evidence From
Arkansas's Medicaid Work Requirements*, Health Aff. (Mar. 3, 2025),
https://www.healthaffairs.org/content/forefront/reporting-requirements-matter-lot-evidence-
medicaid-work-requirements-arkansas; *see also Can You Keep Your Medicaid in Arkansas?*,
Ideas42 (Jun. 2019), https://www.ideas42.org/wp-content/uploads/2019/06/Work-
Requirements-AR-Game.pdf.

[22] Renuka Rayasam & Sam Whitehead, *First Year of Georgia's Work Requirement Mired in Red
Tape*, The Current (Sept. 14, 2024), https://thecurrentga.org/2024/09/14/first-year-of-
georgias-medicaid-work-requirement-mired-in-red-tape/; *see also* Margaret Coker, *Georgia*

Touts Its Medicaid Experiment as a Success. The Numbers Tell a Different Story., PROPUBLICA (Feb. 19, 2025), https://www.propublica.org/article/georgia-medicaid-work-requirement-pathways-to-coverage-hurdles (employment paperwork now only verified annually, enrollees not being removed from the program).

[23] Dory Thrasher, *Making Supplemental Nutrition Assistance Program Enrollment Easier for Gig Workers*, 113 AM. J. PUB. HEALTH S210, S211 (2023), https://pmc.ncbi.nlm.nih.gov/articles/PMC10733874/ (hereinafter "Making SNAP Enrollment Easier").

[24] There is a dearth of research about the intersection of The Work Number and gig work. But in most states, new hire reporting requirements (*e.g.*, to the State and National Directories of New Hires) do not extend outside of the "traditional" employee/employer relationship. *See* Admin. for Children & Families, *Noncustodial Parents and the GIG Economy* 1 (2022), https://acf.gov/sites/default/files/documents/ocse/noncustodial_parents_and_gig_economy.pdf.

[25] *See* Federal Match Manual, *supra* note 17 at 3-4, VA Match Manual, *supra* note 17 at 3-4.

[26] *See, e.g.*, Thrasher, *supra* note 49 at S212 ("Updating . . . systems to better accommodate this growing group of gig workers is critical because those working in nonstandard jobs face greater economic precarity than 'regular' workers.").

[27] *See Streamlining SNAP Eligibility Verifications with The Work Number*, Equifax (Dec. 10, 2024), https://theworknumber.com/all-blogs/-/post/streamlining-snap-eligibility-verifications-with-the-work-number-#.

[28] *See* Sarah Kliff et al., *'A Big Positive': How One Company Plans to Profit From Medicaid Cuts*, N.Y. TIMES, Nov. 3, 2025, https://www.nytimes.com/2025/11/03/health/medicaid-cuts-equifax-data.html.

[29] *See id*.

[30] Equifax, *How It Works*, https://theworknumber.com/how-it-works (last visited Nov. 7, 2025).

[31] *See* Kliff, *supra* note 28.

[32] *See* 42 U.S.C. § 1320b-7(a)(3) (requiring employers to make quarterly wage reports to a specific state agency), 42 U.S.C. § 653a(2)(B) (definition of "employer").

[33] *See* Federal Match Manual, *supra* note 17 at 2, VA Match Manual, *supra* note 17 at 2.

[34] *See* 42 U.S.C. § 1396b(r)(3)(A) (PARIS data matching as a condition of federal financial participation).

[35] *See, e.g.*, CFPB Complaint Nᴏ. 1644567, *infra* note 41 (employer misreporting); CFPB Complaint Nᴏ. 2844325, *infra* note 42 ("mixed file"); CFPB Complaint Nᴏ. 3376292, CFPB Complaint Nᴏ. 5698242, *infra* notes 43-44 (identity theft).

[36] *The Work Number's Employment Database May Contain Inaccurate Information Reported by Employer*, Privacy Rights Clearinghouse (Jul. 21, 2004), https://privacyrights.org/resources-tools/archives/work-numbers-employment-database-may-contain-inaccurate-information.

[37] Justice in Aging & Nat'l Consumer L. Ctr., *Comments to SSA re: Use of Electronic Payroll Data to Improve Program Administration NPRM*, 86 Fed. Reg. 5303, 5, (Feb. 18, 2021), https://www.regulations.gov/comment/SSA-2016-0039-0005.

[38] *Gerena v. Equifax Workforce Solutions, LLC*, 3:24-cv-00098 (E.D. Va. Feb. 9, 2024). A copy of the complaint can be viewed at https://www.classaction.org/media/muniz-gerena-v-equifax-workforce-solutions-llc.pdf.

[39] *Id*.

[40] Justice in Aging & Nat'l Consumer L. Ctr., *Comments to SSA re: Use of Electronic Payroll Data to Improve Program Administration NPRM*, 89 Fed. Reg. 11773 7-8, (Feb. 15, 2024), https://www.nclc.org/wp-content/uploads/2024/04/revised-JIA-NCLC-comments-to-SSA-re-Work-Number-NPRM.pdf.

[41] CFPB Complaint Nᴏ. 1644567 (Nov. 6, 2015), https://www.consumerfinance.gov/data-research/consumer-complaints/search/detail/1644567?chartType=line&dateInterval=Month&dateRange=3y&date_received_max=2025-03-25&date_received_min=2022-03-25&lens=Product&searchField=all&subLens=sub_product&tab=Trends.

[42] CFPB Complaint Nᴏ. 2844325 (Mar. 15, 2018), https://www.consumerfinance.gov/data-research/consumer-complaints/search/detail/2844325?chartType=line&dateInterval=Month&dateRange=3y&date_received_max=2025-03-25&date_received_min=2022-03-25&lens=Product&searchField=all&subLens=sub_product&tab=Trends.

[43] CFPB Complaint Nᴏ. 3376292 (Sept. 16, 2019), https://www.consumerfinance.gov/data-research/consumer-complaints/search/detail/3376292?chartType=line&dateInterval=Month&dateRange=3y&date_received_max=2025-03-25&date_received_min=2022-03-25&lens=Product&searchField=all&subLens=sub_product&tab=Trends.

[44] CFPB Complaint Nᴏ. 5698242 (Jun. 22, 2022), https://www.consumerfinance.gov/data-research/consumer-complaints/search/detail/5698242?chartType=line&dateInterval=Month&dateRange=3y&date_

received_max=2025-03-25&date_received_min=2022-03-25&lens=Product&searchField=all&subLens=sub_product&tab=Trends.

[45] *See, e.g.*, Ark. Dept. of Hum. Servs., *Arkansas Works Section 1115 Demonstration* (Mar. 5, 2018), https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/ar/ar-works-ca.pdf.

[46] *See, e.g.*, 42 C.F.R. § 435.403(a) (Medicaid eligibility predicated on state residence); 7 U.S.C. § 2015(b)(1), 7 C.F.R. § 273.16(b) (penalties for misrepresentations in SNAP). Consider also the plaintiff in *Gerena v. Equifax*, who lost her SNAP benefits in Virginia because of a TWN report that falsely showed she was simultaneously employed in Florida and Alabama.

[47] Consider the individual in California who lost her SNAP benefits (and was charged with fraud) because of a TWN report that falsely showed earned income from a restaurant where she had never worked, or the individual who owed SSA overpayments because The Work Number misclassified her travel reimbursements. Similar issues could arise for Medicaid expansion enrollees whose eligibility is based on their income being below 138% of the federal poverty level (FPL). Faulty data matching that shows their income as being above that limit could wrongly render them ineligible for the program.

[48] Admin. for Children & Families, *A Guide to the National Directory of New Hires* 1 (2024), https://acf.gov/sites/default/files/documents/ocse/a_guide_to_the_national_directory_of_new_hires.pdf.

[49] *See, e.g.*, Jessica Tollestrup, *The National Directory of New Hires: An Overview*, Cong. Research Serv. RS22889 (2025), https://www.congress.gov/crs-product/RS22889 (discussing the NDNH's efficacy in reducing "improper" TANF and UI payments), U.S. Gov't Accountability Off., GAO-14-597, *Supplemental Security Income: Wages Reported for Recipients Show Indications of Possible SSN Misuse* (2014), https://www.gao.gov/assets/gao-14-597.pdf (NDNH effective in identifying alleged SSI fraud), U.S. Gov't Accountability Off., GAO-06-766, *National Sex Offender Registry: New Hires Data Has Potential for Updating Addresses of Convicted Sex Offenders* 2 (2006), https://www.gao.gov/assets/gao-06-766.pdf (commenting on the efficacy of the NDNH in "verifying eligibility for federal benefit programs and collecting debt owed to the federal government").

[50] Currently used by 1 state at application and 2 states each at annual renewal and for post-enrollment verification. *See* Medicaid/CHIP Eligibility Verification Plans, *supra* note 13.

[51] Soc. Security Admin., *POMS GN 03314.155 Automated Data Exchanges Between the Social Security Administration (SSA) and State Agencies* (2020), https://secure.ssa.gov/poms.nsf/lnx/0203314155 (hereinafter "SSA POMS").

[52] Currently used by 3 states at application, 1 state at annual renewal, and 2 states for post-enrollment verification. *See* Medicaid/CHIP Eligibility Verification Plans, *supra* note 13.

[53] At least 2 current proposals for work requirements do not include any exemptions. *See* S.C. Dept. of Health & Hum. Servs., *Community Engagement Section 1115 Demonstration Waiver Application* 18-19 (Jun. 23, 2025), https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/sc-palmetto-path-ind-pa-06232025.pdf; Ark. Dept. of Hum. Servs., *Request to Amend the ARHOME Section 1115 Demonstration Project* (Mar. 26, 2025), https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/ar-arhome-pa-pathwy-prspty-04102025.pdf.

[54] 42 U.S.C. §§ 1396a(xx)(3)(A), (9)(A)(ii).

[55] *Id.* at § 1396a(xx)(3)(A).

[56] *Id.* at § 1396a(xx)(5).

[57] Laura Harker, *Pain But No Gain: Arkansas' Failed Medicaid Work-Reporting Requirements Should Not Be a Model*, Ctr. on Budget & Pol'y Priorities (Aug. 8, 2023), https://www.cbpp.org/research/health/pain-but-no-gain-arkansas-failed-medicaid-work-reporting-requirements-should-not-be.

[58] State Health Access Data Assistance Ctr., *Medicaid Eligibility, Enrollment, and Renewal Processes and Systems Study: Case Study Summary Report – Arizona* 5 n.7 (Oct. 19, 2018), https://www.macpac.gov/wp-content/uploads/2018/11/Arizona-Summary-Report.pdf.

[59] Ctr. on Budget & Pol'y Priorities, *How to Streamline Verification of Eligibility for Medicaid and SNAP* (Jul. 18, 2024), https://www.cbpp.org/research/health/how-to-streamline-verification-of-eligibility-for-medicaid-and-snap.

[60] 42 C.F.R. § 457.380(e).

[61] SSA POMS, *supra* note 60.

[62] Soc. Security Admin., *Beneficiary Earnings and Data Exchange (BENDEX) Handbook for Daily Process* 71 (2022), https://www.ssa.gov/dataexchange/documents/BENDEXMANUAL2022.pdf (hereinafter "BENDEX Handbook").

[63] *Id.* at 66; *see also* CMS, *State Buy-in Data Exchange Processes*, https://www.cms.gov/files/document/chapter-2-data-exchange-processes.pdf.

[64] BENDEX Handbook, *supra* note 75 at 16-21.

[65] Soc. Security Admin., *The BENDEX Record*, https://www.ssa.gov/dataexchange/documents/Bendex%20record.pdf.

[66] BENDEX Handbook, *supra* note 75 at 15; *see also* Soc. Security Admin., *Use of Social Security Administration Data for Research Purposes*, 65 Soc. Security Bull. 2 (Aug. 2004), https://www.ssa.gov/policy/docs/ssb/v65n2/v65n2p95.html.

[67] *See* Medicaid/CHIP Eligibility Verification Plans, *supra* note 13.

[68] SSA POMS, *supra* note 60.

[69] Soc. Security Admin., *Data Exchange Applications*, https://www.ssa.gov/dataexchange/applications.html; *see also* CMS, *supra* note 76.

[70] Soc. Security Admin., *The SDX Record*, https://www.ssa.gov/dataexchange/documents/SDX%20record.pdf.

[71] Soc. Security Admin., *The State Verification and Exchange System (SVES) and State Online Query (SOLQ) Manual* 10 (Jul. 2023), https://www.ssa.gov/dataexchange/documents/sves_solq_manual.pdf (hereinafter "SVES/SOLQ Manual"). SDX queries are returned on the next SDX update.

[72] *Id.* at 6.

[73] *Id.* at 7.

[74] *Id.* at 27-31.

[75] Soc. Security Admin., *Data Exchange Applications*, https://www.ssa.gov/dataexchange/applications.html.

[76] SVES/SOLQ Manual, *supra* note 84 at 151.

[77] SOLQ/SOLQ-I also cannot be used to access the "40 Qualifying Quarter" query, Prisoner query, or VA EARN information. *Id.*