

Studies connect Medicaid work requirements to poor health

By Shelley Connor
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Medicaid work requirements, such as those recently adopted by the state of Kentucky, are predicted to lead to unfavorable health outcomes for the poor and disabled, according to a recent report from Center for Budget and Policy Priorities (CBPP).

Although the Trump administration and representatives for the Centers for Medicare and Medicaid Services (CMS) have claimed that the work requirements would lead to better health outcomes, increased employment, and lower poverty rates, the obvious goal of work requirements is to reduce the Medicaid rolls by forcing recipients through prohibitive bureaucratic mazes.

In January, the Trump administration announced that states could apply for waivers to impose work requirements on Medicaid recipients. CMS administrator Seema Verma said that work requirements were “about helping people achieve the American dream.” Although she acknowledged that the result would be a reduction in the number of Medicaid recipients, she framed this as a “good outcome,” with fewer people needing the program because they would be employed.

Despite assurances by the Trump administration and CMS officials that pregnant women, the disabled, and the medically frail would be exempted from work requirements, the CMS has not specifically exempted these populations; they have only advised states to do so. Furthermore, while the CMS suggests a number of alternatives to the work requirements, such as volunteering or job training, states are prohibited from using Medicaid funds to create job training programs.

As the CBPP report states, these restrictions do not help Medicaid recipients find gainful employment. To the contrary, they only force “burdensome paperwork and documentation requirements” upon the 25 million

Americans who receive Medicaid—most of whom are either working or are unable to work.

The CBPP’s research demonstrates that 60 percent of Medicaid recipients are already working. In states that institute work requirements, these people will be forced to add monthly paperwork to their work and family obligations. Fifteen percent of Medicaid enrollees are ill or disabled, 12 percent are caregivers for small children, 6 percent are going to school, and 4 percent are retired; another 2 percent have been unable to find employment. All of these people will be required to report monthly to their state Medicaid offices, or they will face losing their benefits.

Numerous studies of other federal assistance programs, such as Supplemental Nutrition Assistance Program (SNAP) and Temporary Aid to Needy Families (TANF), have demonstrated that states frequently make errors in the administration of work programs that have deprived people of benefits. Moreover, people with disabilities, substance abuse disorders, and the seriously or chronically ill are disproportionately vulnerable to benefit suspension and interruption.

Workers whose hours fluctuate from week-to-week, such as those in the food service and construction industries, are also likely to face interruptions in their benefits, according to the CBPP. Those who are disabled but have not yet qualified for Supplemental Security Income (SSI), those with mental illnesses, and those with substance use disorders will likely find that, while their illnesses and disabilities pose significant obstacles to employment, they do not qualify for exemption from their state’s work requirements.

The CBPP reports that work requirements are unlikely to increase employment and, in fact, are predicted to be counterproductive to their supposed

goals. The disingenuous claims that work requirements increase employment and well-being are not supported by studies on other programs, such as SNAP and TANF. Rather, as the CBPP report states, “they generally have only modest and temporary effects on employment, failing to increase long-term employment or reduce poverty.”

These studies consistently confirm the fact that dangling health care and sustenance over people’s heads fails to reduce poverty or to increase full-time employment. Studies also confirm how vital health care is to those who are employed. Seventy-five percent of unemployed Ohioans, and 55 percent of unemployed Michiganders, reported that medical coverage made it easier to search for jobs. Sixty-nine percent of working adults in Michigan and 52 percent of working adults in Ohio reported that medical coverage enabled them to work and to be better at their jobs. These numbers give lie to CMS claims that work requirements will lead to greater employment and better health for impoverished Americans.

The CMS guidelines do not increase staffing or funding for state Medicaid programs, although the work requirements will increase the amount of paperwork to be processed by state agencies. For many Medicaid recipients, the very nature of their disorders makes paperwork an almost insurmountable requirement. When these people are shoved off of the rolls, it will not be because they have suddenly found themselves capable of working, but because they could not complete the paperwork without assistance. There is no logical expectation that such incidents will lead to better health.

The statements made by the Trump administration, the CMS, and state officials advocating for work requirements play upon the tired trope of lazy and unmotivated benefit seekers. In reality, most able-bodied people who do not work are not unemployed because they are lazy, but because, as the CBPP states, they lack access to “work supports such as job search assistance, job training, child care, and transportation assistance; they may also face challenges such as an undiagnosed substance use disorder, domestic violence, the need to care for an ill family member, or a housing crisis.”

Allowing states to enforce work requirements upon Medicaid recipients will not resolve such issues. “State

Medicaid programs generally are not well equipped to provide or connect families with work support services, which are already oversubscribed in most states,” says the CBPP. In addition, not only do the CMS guidelines fail to require states to offer such work supports, they prohibit them from using Medicaid funds to create such programs.

Those in public office who support these requirements are not ignorant of the facts. Work requirements serve no other purpose but to destroy the Medicaid program piecemeal, at the cost of the health and well-being of the poor.

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