

Medicaid, Work, and Work Experiments

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The myth of the able-bodied non-working adult is just that. Government statistics show that Medicaid-eligible, working-age adults without disabilities or serious health problems are overwhelmingly working, looking for work, in school, or cannot work because of family considerations.

- Evidence from the federal government’s National Health Interview Survey shows that half of all adults covered by the Medicaid expansion are living with a disability or other serious health condition that would prevent work.
- The other half are overwhelmingly (87 percent) working, in school, or looking for work. Among this small sub-group of non-working “able-bodied” adults, three-quarters report caring for family members and the rest report another reason for not working, such as being laid off.¹

As conceived and approved, the Medicaid work experiments create virtually insurmountable eligibility and enrollment obstacles, and are failing to produce needed impact evidence, as required by Congress. Independent evaluations now document the enormous collateral damage the experiments have triggered.

- The administration’s work requirement, as designed, requires work year-round, 20 hours per week. This design ignores basic evidence about the barriers low wage workers face, including “nonstandard work shift schedules, fluctuation in weekly hours worked, [lack of] advance notice of work schedules, and [lack of] control over work schedule”.²

¹ Leighton Ku and Erin Brantley, Myths About The Medicaid Expansion And The ‘Able-Bodied’, Health Affairs Blog, <https://www.healthaffairs.org/doi/10.1377/hblog20170306.059021/full/>

² Michael Karpman et al., Precarious Work Schedules Could Jeopardize Access to Safety Net Programs Targeted by Work Requirements (Urban Institute, 2019), <https://www.urban.org/research/publication/precarius-work-schedules-could-jeopardize-access-safety-net-programs-targeted-work-requirements>

- The administration’s research design assumes that work will produce more income and employment insurance. But government data show that only 28 percent of low wage workers with private employer jobs qualify for insurance, while 42 percent are not even eligible.³
- States have been approved to move forward without having impact evaluations in place and under way. As a result, and despite the express requirements and basic purpose of 1115, Congress has lost the chance to gain knowledge through government evaluation.⁴
- A landmark independent evaluation of the Arkansas experiment in its first year shows “significant losses in health insurance coverage” within its initial 6 months – a 12 percentage point reduction in coverage. The evaluation further showed that over 95 percent were working or qualified for an exemption when they lost coverage. In addition, the evaluation documented widespread confusion about reporting, along with the experiment’s failure to produce gains in either employment or private health insurance among the target population among the experimental group.⁵

Restricting Medicaid eligibility by imposing work requirements is a policy matter for Congress, not an “innovation” likely to promote Medicaid objective and therefore testable under 1115

- The purpose of the unique experimental authority given to the HHS Secretary by Congress under 1115 is to test innovations that are likely to promote the objectives of the Medicaid program – not impose nationwide restrictions on eligibility. Tallying approved states, states with pending work experiment applications, and states moving toward filing an application, work restrictions could be in place in nearly half of all states, despite a flawed design, no evaluations, and no estimate of likely impact on the experimental population.⁶

³ Ku and Brantley

⁴ GAO, MEDICAID DEMONSTRATIONS: Evaluations Yielded Limited Results, Underscoring Need for Changes to Federal Policies and Procedures (2018), <https://www.gao.gov/products/GAO-18-220>

⁵ Benjamin Sommers et al., Medicaid Work Requirements: Results from the First Year in Arkansas (New England Journal of Medicine, June 19, 2019)

⁶ Deans, Chair, and Scholars amicus brief in support of Plaintiffs-Appellees, United States Court of Appeals for the D.C. Circuit (available from Milken Institute School of Public Health)