Maine to impose work requirements on Medicaid recipients

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Maine Governor Paul LePage is proposing a work requirement for Medicaid recipients in the state. The move by the Republican governor comes after he has already imposed work requirements on food stamp recipients without children—effectively denying assistance to thousands of adults who are unable to find work—and forcing thousands more off the food stamp rolls if they have personal assets totaling more than $5,000.

This brutal policy is likely to receive approval from the federal Department of Housing and Human Services (HHS) and its Centers for Medicare & Medicaid Services (CMS), which would need to bless a State Plan Amendment for Maine's "demonstration project" for Medicaid in order for it to go forward.

Seema Verma, the health insurance consultant who is now head of CMS, was instrumental in writing a Kentucky plan which would charge Medicaid recipients as much as $37.50 per month in premiums and require them to work if they want dental and eye care.

While the details of the Maine plan are still unclear, it is part of a nationwide attack on Medicaid as a guaranteed benefit based on need.

In March, Verma and HHS Secretary Tom Price released a letter to US governors promising to open the floodgates for "innovative approaches" to Medicaid that include work requirements, premiums and benefit plan designs similar to Health Savings Accounts. About Medicaid work requirements, they wrote cynically that "it is our intent … to review and approve meritorious innovations that build on the human dignity that comes with training, employment, and independence."

In Maine, where 15.8 percent of people are food insecure, 13.4 percent are living in poverty, and state law provides no subsidies for the purchase of private medical insurance, the "human dignity" propounded by Price and Verma will in reality be a test case for attacking Medicaid as a government program. A March 28 article in the *Bangor Daily* documents the effects of the food stamp work requirement on people who have had to turn to private food pantries just to survive.

Maine is a largely rural state in which people often have to travel long distances for medical care. The state's Public Law 2011, Chapter 90, already allows private insurers to charge premiums up to 1.5 times higher based on a person's location. Rural Mainers who are unable to find work will be without Medicaid and unable to afford private insurance. While the federal Affordable Care Act (ACA) expanded Medicaid coverage to non-elderly adults making less than $16,394 (as of 2016), such an income would not cover the cost of housing, car, food and social needs.

According to statistics from the Kaiser Family Foundation, only 22 percent of Medicaid recipients nationwide were not working in 2015. Those who are not often face disabilities and other obstacles to finding employment. Plans like those being proposed by Maine and Kentucky will, therefore, penalize the most vulnerable. Yet Price has told ABC News that Medicaid work requirements "are something that is restorative to people's self-worth."

Changes to implementation of federal Medicaid rules by individual states require what is known as a Section 1115 waiver, which needs to be approved by CMS based on state requests. At the beginning of November, the Obama administration approved a waiver for Massachusetts to attack Medicaid, not through work requirements, but by replacing the standard fee-for-service model with Accountable Care Organizations. ACOs cap the yearly amount that can be spent on a patient by all providers in the organization. Governor Charlie Baker, a former CEO of Harvard Pilgrim

Health Care, announced the change by claiming that it would “support the people of Massachusetts.”

While Medicaid, even as expanded under Obamacare, is inadequate, it nonetheless has well-documented benefits which will now be denied to low-income people by state governments and at the federal level. According to the Kaiser Family Foundation’s Medicaid Pocket Primer, the program has produced “dramatic declines in infant and child mortality … reduced teen mortality, improved long-run educational attainment … and lower rates of hospitalization and emergency department visits later in life.”

The government of Maine is seeking to deny people not only these benefits, but a long list of others. A March 2017 report by the Maine Center for Economic Policy lists $1.9 billion in available federal funding that has been forfeited by Governor LePage and the state legislature since 2011, either through outright refusal to accept program funding, failure to apply for available grants, or refusal to maximize matching funds.

Programs that have been deprived include arsenic testing in well water, supportive services for Alzheimer’s sufferers, opioid addiction treatment, mental health treatment for teenagers, dental health for rural populations, Head Start, after-school programs for children of working parents, tuition and family support for low-income parents who are in college, health insurance for parents making between 100 and 200 percent of the federal poverty level, and the Children’s Health Insurance Program (CHIP).

The Medicaid work requirement, therefore, does not arise from a lack of social resources. Currently the federal government pays 64 percent of Maine’s Medicaid costs. For adults who have become eligible since the Obamacare expansion, the federal government offers to cover 95 percent of the cost.