# Trump administration encourages states to gut Medicaid, impose work requirements

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In a half-hour address on Tuesday to the National Association of Medicaid Directors, Seema Verma, Trump's administrator of the Centers for Medicare and Medicaid Services (CMS), announced that the CMS would actively "partner" with states to impose work requirements and other restrictions on Medicaid.

Verma called opposition to punitive work requirements "soft bigotry of low expectations." That the government health insurance program for the poor serves "working age, able-bodied adults does not make sense," she told the conference of state Medicaid heads. "Let me be clear to everyone in this room: We will approve proposals that promote community engagement activities."

The Trump administration is inviting states to draft and submit broad waivers of federal Medicaid law that impose more than just work requirements. To demonstrate its commitment to "innovation"—that is, legislative assaults on workers' living standards—the CMS will work as a "partner" to state governments to approve waivers, expedite approvals for waiver programs that are either "routine" or have shown "success" in other states, and extend the maximum waiver effective period up to 10 years. (Previously, waivers were typically approved for a period of five years, with a possible three-year extension.)

Twenty-eight states have waivers currently pending with the CMS. Seven states—Indiana, Maine, Arizona, Utah, Arkansas, Kentucky and Wisconsin—already have waivers that would impose work or job-training requirements on recipients. Other waiver requests include the imposition of insurance premiums, lengthy lock-out periods for missed premium payments or failure to meet work requirements, lifetime enrollment limits, enrollment time limits followed by mandatory re-enrollment lockout periods, co-pays for emergency department visits that don't result in inpatient admission, and an end to premium assistance for employer-sponsored insurance.

One of the most egregious requests is from Maine, which wants to require upfront asset tests. These would screen applicants' cash savings and property values in addition to their incomes, something which is prohibited under the ACA. This means workers either would not qualify for benefits, or would have to divest their assets in order to obtain health coverage for their families. The state of Texas also has a pending waiver to deny Medicaid payments to health care providers who provide abortion care.

In opposition to Maine's Republican Governor Paul LePage, state voters on Tuesday became the first in the nation to approve at the ballot box the expansion of Medicaid under the Affordable Care Act. LePage has vowed to block the expansion unless the state Legislature funds Maine's share of an expansion.

Stephen P. Miller, the Medicaid commissioner for the state of Kentucky, whose pending waiver was designed by Verma's own consulting firm, told the *Washington Post*, "You heard what was said today, and we're right in sync with that." He is expecting approval for Kentucky's waiver request "soon" and is hoping to begin implementing the new restrictions in mid-2018. Kentucky's waiver program would bar certain benefits to recipients who don't purchase them, and require 20 weekly hours of "work activity," which may include unpaid community service.

Verma also announced the launching of CMS "Scorecards" to grade state Medicaid programs on how effectively they are using funds to "produce positive results" and help recipients lead "more independent lives."

"Every American deserves the dignity and respect of

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high expectations and as public officials we should deliver programs that instill hope and say to each beneficiary that we believe in your potential," she said of measures that would kick over 9.8 million unemployed adults off Medicaid.

The $1.1 trillion program provides health insurance to 80.7 million people, or nearly one quarter of the US population, including 11 million disabled and 34.8 million children. Half of all newborns are covered under Medicaid. According to the Kaiser Family Foundation, 79 percent of nondisabled adult Medicaid recipients come from working households. Fifty-nine percent work; 41 percent of recipients work full-time, yet still cannot afford access to decent health care.

Verma's career in the health care policy business spans over two decades. In the mid-1990s, she worked for the Marion County Health and Hospital Corporation, whose subsidized health insurance program required unemployed recipients to provide proof that they had a working adult helping them pay bills. In 2001, she founded her own consulting firm, SVC Inc. (now known as HMA Medicaid Market Solutions). The Medicaid program crafted by SVC for the state of Indiana, Healthy Indiana Plan, imposes a deductible of $1,100 (increased to $2,500 in 2015 with the approval of the Obama administration) and requires recipients to make monthly contributions to a special savings account to chip away at the deductible. Recipients who missed a payment lost coverage and were barred from re-enrolling for 12 months (reduced to 6 months in 2015).

Other states' waivers, including a number currently pending approval, were also drafted by Verma's consulting firm. It has enjoyed millions of dollars in consulting contracts with both state governments, and with Medicaid claims processors, such as Hewlett-Packard, who are subsequently awarded lucrative management contracts with the states whose Medicaid programs have been drawn up by her firm.

"When designing waivers, I found that many states wouldn't even put their own ideas forward because they assumed they would be rejected," Verma lamented. "Those days are over. We are resetting the partnership between the states and the federal government and that work has already begun."

Verma criticized the Obama administration from the right for not having gone further to privatize and restrict workers' access to health care, saying that the Affordable Care Act, which shifted health insurance costs from employers to employees, and coerced the uninsured to hand over money to insurance companies for minimum-coverage plans with exorbitant out-of-pocket costs, "just put more people in the program." She blamed the expansion of Medicaid, which provided health insurance to 11 million people, for "diverting state resources from other areas such as education and economic development" and called for "initiatives that restructure Medicaid away from an open-ended entitlement to a more fiscally-secure program."

"Ultimately, Medicaid laws needs to change, so that states don't need permission from CMS to develop unique and innovative solutions. … But until the law changes, I am proud to announce we are taking action through a number of changes that make it easier than ever before for states to design innovative approaches. …"

Workers must take Tuesday's address as a dire warning. In a country where nearly one quarter of the population cannot afford basic health care, the financial elite are preparing a brutal offensive to raid and raze any social institution that does not serve their profit interests. Always finding trillions of dollars for war yet never anything for education or health care, the well-being of workers' families will not be supported by any section of the bourgeois political establishment.

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