More US states imposing Medicaid work requirements

Kate Randall 14 April 2018

With little attention from the media or the Democratic Party, the Trump administration and state governments are carrying out a ruthless campaign against Medicaid, the insurance program for the poor, disabled and elderly that is jointly administered by the federal government and the states. More than 75 million Americans are currently covered by Medicaid and the Children's Health Insurance Program (CHIP).

Under the Obama administration-sponsored Affordable Care Act (ACA), 33 states have expanded Medicaid benefits to cover those earning up to \$16,643 a year as an individual or \$28,180 for a family of four.

A 2012 US Supreme Court decision ruled that the ACA's individual mandate, which requires those without insurance to purchase private health insurance or pay a penalty, was constitutional, but left it up to the states to decide whether or not to expand Medicaid. To date, 32 states and the District of Columbia have expanded the program, while 18 states, mostly led by Republicans in the South and Midwest, have not.

Some Republican-controlled states are now considering expanding Medicaid, but these moves come with attached stipulations, such as work requirements, aimed at limiting benefits and forcing recipients off of the rolls. The Trump administration's Centers for Medicare and Medicaid Services (CMS) in January 2017 announced that it would allow states to impose work requirements.

On Tuesday, Trump took his crusade for work requirements one step further. He issued an executive order to six government departments to review all public assistance programs, with the aim of determining which programs currently have work requirements attached to them. Cabinet secretaries are required to issue reports listing programs to be eliminated and new restrictions to be imposed.

A new report from the Center on Budget and Policy Priorities (CBPP) reveals that even people who work will be at serious risk of losing their health insurance under the new Medicaid work requirements. The analysis concludes that a significant number of poorer people on Medicaid who are regularly working might not meet the strict requirements imposed on them.

By the CBPP's estimate, one in four people who worked enough hours over the course of the year to meet the work requirements in Kentucky, the first state to impose them, would have at least one month in which they fell below the state's 80-hour monthly work requirement, therefore putting them at risk of losing coverage. People working lower-wage jobs are more likely to have irregular working hours and gaps in their employment.

The Trump administration has so far approved Medicaid work requirements in Kentucky, Arkansas and Indiana, while several other states have waivers pending. Many people receiving benefits, including those with federally qualifying disabilities, the elderly, children and pregnant women, would be exempt from work requirements.

However, according to the CBPP, two-thirds of the remainder of beneficiaries who are subject to work requirements are actually working. Seventy percent of these people worked 1,000 hours over a year, which translates to 80 hours a month, Kentucky's threshold for meeting the requirement.

The CBPP found that nearly half of the people, or 46 percent, who could be subject to a work requirement—and were working—had at least one month when they failed to meet Kentucky's 80-hour requirement. The top industries for those facing work requirements are food services, retail and construction, occupations that are subject to seasonal and other work-hour changes.

Workers would also face onerous paperwork requirements and could lose benefits if they failed to file the proper forms or if states mismanaged forms that had been submitted. The Tennessee legislature is debating whether to take money from Temporary Assistance for Needy Families, the federal cash welfare program, to use it to pay for the administrative costs the state will bear to set up the Medicaid work requirements.

Work requirements that the White House and state

governments claim will foster "personal responsibility" will, in fact, deepen the poverty and suffering of vulnerable sections of the population. The CBPP report's authors write: "In states with work requirements, some workers who lose their jobs due to health setbacks may then lose their health coverage and access to treatment as well, which would make it far harder for them to regain their health and their employment."

Maine just recently expanded Medicaid, and ballot initiatives to do so in Idaho and Nebraska may also lead to expansion. According to the news website Vox, a dozen or more states are now applying for or considering seeking waivers to allow them to impose work requirements, time limits, or drug testing for Medicaid. These include Arizona, Kentucky, Indiana, Arkansas and Hampshire—Republican-led states that have already expanded Medicaid. Arkansas' waiver includes a "private option" providing "able-bodied" adults on Medicaid with coverage through private insurers.

Kentucky's plan, in addition to implementing Medicaid work rules, requires premium payments for recipients and a lockout for those who don't make the payments. The CMS approved similar waiver requests from Indiana and Arkansas earlier this year.

The Virginia legislature is on the verge of approving some type of Medicaid expansion on a bipartisan basis. State Senator Frank Wagner, a Republican, has said he would back an expansion as long as it required able-bodied adults to work and taxed hospitals to pay the state's share of the estimated \$2 billion annual cost. A spokesman for Democratic Governor Ralph Northam said of the proposed work rules, "There were things we didn't want to see in the deal but were important to Republicans." Northam's election last November was hailed by the Democratic Party and its pseudo-left satellites as a victory for "progressive" opponents of Trump.

States are taking aim at Medicaid in other ways as well. Florida Governor Rick Scott, a Republican, and the Florida legislature are proposing to slash the retroactive approval time frame for Medicaid claims from 90 days to 30. While Florida officials say the move would affect about 39,000 individuals, a state official made the preposterous claim that "no Medicaid services are being reduced as a result of the amendment."

Montana's Department of Public Health and Human Services is cutting Medicaid provider rates and contracts as a result of \$49 million in budget cuts mandated by the governor and state legislature to balance the budget. As a result, Helena Industries, a non-profit that provides services for people with disabilities, is closing and plans to file for bankruptcy protection on April 17. Nicole Edwards, a

Helena Industries case manager whose last day on the job was April 11, told Montana Public Radio, "It is going to be a rocky transition and people will fall through the cracks."

In Louisiana, state legislators are proposing deep cuts to Medicaid in the face of an estimated \$1 billion budget deficit. The cuts stipulate that any patient receiving income between \$750 and \$2,250 a month will no longer be eligible for the Long Term Care Special Income Level Program (LTC). If passed, the cuts could force 46,000 Medicaid recipients out of facilities.

Beverly Everett has a loved one, Dan Coleman Jr., who has been living at a long-term facility in Pineville, Louisiana for more than 40 years, since he was six years old. "Developmentally, he has the mind of an 8-month-old," Everett told KATC television. The \$1,400 he receives from his late mother's Social Security could potentially force him to leave the facility.

"I'm 63 years old, my husband is 67 years old. Physically, I don't think I could handle him by bathing him, putting him up, feeding him, changing his diaper, watching him 24/7. Someone would always have to be with him," Everett said. "It would basically destroy our lives."

After passing a tax cut for the rich costing \$1.5 trillion over 10 years, Republicans in Congress and the corporate elite have only ramped up their campaign against so-called "entitlement" programs, including Medicare, Medicaid and Social Security. Judith Stein, executive director of the Center for Medicare Advocacy, told FierceHealthcare, "These tax cuts have added so much to the deficit and I can't imagine them going after military spending or raising anyone's taxes."

Jamie Dimon, the chairman and CEO of mega-bank JPMorgan Chase, wrote in his annual letter to shareholders last week, "The real problem with our deficit is the uncontrolled growth of our entitlements. The extraordinary growth of Medicare, Medicaid and Social Security is jeopardizing our fiscal situation."

The Democratic Party and the mainstream media have next to nothing to say about the ruling class assault on Medicaid, instead focusing their fire on pressuring the Trump administration to invade Syria and repeating their claims of "Russian hacking" in the 2016 presidential election.



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