Medicaid work requirements take effect: No money for healthcare, $1.5 trillion for war

Kate Randall
31 July 2026

The Trump administration's rule imposing work requirements on recipients of Medicaid, the health insurance program for the poor and disabled, took legal effect on Friday, July 31, setting into motion the deepest restructuring of the program since its founding in 1965.

The instrument is the "One Big Beautiful Bill Act" (OBBBA), which President Donald Trump signed on July 4, 2025. It slashes federal Medicaid spending by an estimated $911 billion over a decade. The Congressional Budget Office expects the cuts to leave 7.5 million more Americans uninsured by 2034.

By the government's own estimate, the work requirement will strip 2.3 million people from the Medicaid rolls in its first year. Enrollees aged 19 to 64 must document 80 hours of work, community service or schooling every month, or earnings of at least $580. States must begin enforcement by January 1, 2027. Nebraska starts next month.

A medical exemption requires proof that a condition "significantly impairs" the ability to work. Having cancer is not, by itself, enough. When Arkansas imposed the same policy in 2018, more than 18,000 people lost coverage in six months, overwhelmingly through paperwork failures. Twenty-six states sued over the narrow "medically frail" definition. A Massachusetts federal judge declined Thursday to block the rule.

Beyond Medicaid, the law cuts roughly $270 billion from student loans and $187 billion from SNAP, the food stamp program—cuts driven above all by expanded work requirements, which will force 2.4 million people a month off food assistance.

The administration is also ending the subsidy that has stabilized premiums for Medicare Part D prescription drug plans. The Centers for Medicare and Medicaid Services (CMS) announced Tuesday that the subsidy will lapse at the end of this year, raising costs for the 25 million seniors enrolled.

The White House has also drafted a rule, ProPublica reported in April, to reverse a 2024 Biden era Social Security rule that expanded Supplemental Security Income (SSI) for the disabled, threatening nearly 400,000 recipients with cuts of roughly $331 a month or the loss of benefits. First Medicaid, then Medicare, then Social Security—Whatever remains of the social safety net is to be dismantled.

None of the money cut is being "saved." It is being reallocated—upward to the rich through the OBBBA's tax handouts and outward into the machinery of war. The administration's Fiscal Year 2027 budget request demands $1.5 trillion for the military, an increase of $445 billion over current levels and, adjusted for inflation, the largest single-year rise since World War II.

The Pentagon asked the White House in March for more than $200 billion in supplemental funding for the illegal war against Iran, and in July Defense Secretary Pete Hegseth demanded another $67 billion. Billions more are earmarked for Trump's "Golden Dome" missile scheme and a "Golden Fleet" of "Trump-class" battleships.

This is not austerity imposed by a scarcity of resources—The American financial oligarchy has never been wealthier. The gutting of social programs is a deliberate reallocation of the wealth produced by the working class to pay for the crisis of American capitalism and the wars through which the ruling class seeks a way out.

"It's not possible for us to take care of day care, Medicaid, Medicare, all these individual things," Trump told a closed-door White House Easter lunch on April 1. "We have to take care of one thing: military protection. We're fighting wars." The social programs, he said, were "all these little scams."

What Trump derides as "scams" are concessions wrested by the working class in struggle—Social Security from the mass industrial battles of the 1930s, Medicare

© World Socialist Web Site

and Medicaid amid the strike waves and civil rights upheavals of the 1960s.

The OBBBA itself authorized $150 billion in new military spending and $170 billion for border repression, including capacity for 100,000 migrant detention beds and 10,000 new Immigration and Customs Enforcement (ICE) agents. While the same bill strips food assistance from veterans, the homeless and youth aging out of foster care, the Agriculture Department has demanded that SNAP recipients' Social Security numbers, addresses and household details be run through a Homeland Security immigration database.

The assault on Medicaid and Medicare is accompanied by a war on public health and medical science. Two days before the Medicaid rule took effect, Senate Republicans staged a McCarthyite inquisition against Dr. Anthony Fauci, who directed the National Institute of Allergy and Infectious Diseases (NIAID) for 38 years. Fauci invoked the Fifth Amendment more than 100 times. The committee's chairman, Republican Senator Rand Paul of Kentucky—having first published the scientist's private diaries—sought to set Fauci up for a perjury charge and closed the hearing by scheduling a contempt vote.

Not a single Democrat on the Senate committee protested the witch-hunting of Fauci or reacted when Rand Paul had Fauci's lawyer removed from the hearing room.

Under Health and Human Services (HHS) Secretary Robert F. Kennedy Jr., some 20,000 Health and Human Services employees have been driven out, all 17 members of the Centers for Disease Control and Prevention's (CDC) vaccine advisory committee have been fired and replaced with anti-vaccine ideologues, $500 million in mRNA research has been canceled, and the universal hepatitis B birth dose has been abandoned.

The results are tabulated in disease and death: 2,318 confirmed measles cases this year, the most since 1991, and Long COVID debilitating millions. US life expectancy remains below that of every comparable country.

The Trump administration's new Medicaid work rules have been met largely with silence from the Democrats and the US media. The word "Medicaid" did not appear on the front page of the July 31 print edition of the *New York Times* or on its website Friday evening, even though that page carried a report on hospitals flooded with the newly uninsured. The *Washington Post*'s home page likewise had no mention Friday evening.

Democrats have mouthed token phrases about preserving Medicare and Medicaid while doing nothing to make the public aware of the extent of the cuts. On the Sunday talk shows last weekend, not a single Democratic leader even raised the administration's preparations to throw 2.3 million people off of Medicaid.

Ultimately, the Democrats speak for the same oligarchy as Trump which demands the ever-greater impoverishment of the population to fund its own enrichment and global war.

The assault on social programs and democratic rights is provoking an upsurge of the working class. In July, 4,000 nurses at Boston's Brigham and Women's Hospital led the largest healthcare strike in Massachusetts history, and autoworkers at parts plants across Michigan have repeatedly rejected contracts pushed by the UAW apparatus.

The defense of these rights requires the independent mobilization of the working class, free of the shackles of the Democrats, the Republicans and the trade union bureaucracy, through rank-and-file committees on shop floors, in hospitals, in neighborhoods, in schools and on campuses. These committees—linked internationally through the International Workers Alliance of Rank-and-File Committees (IWA-RFC)—must fight for the unconditional restoration and expansion of Medicaid, Medicare, Social Security and SNAP as inviolable social rights, preliminary to guaranteed, free healthcare for all. This must be paid for through the expropriation of the financial oligarchy and the utilization of the trillions now devoted to war for the satisfaction of human needs.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site