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3 Title: Suspend and Abolish the Medicaid Work Requirement
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5 Introduced by: Annette Mercatante, MD, for the St. Clair County Delegation
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7 Original Author: Annette Mercatante, MD
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9 Referred To: Reaffirmation Calendar
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11 House Action: **REAFFIRMED**
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14 Whereas, Michigan’s Medicaid work requirement affects people enrolled in the Healthy
15 Michigan Plan (HMP), Michigan’s Medicaid expansion plan, and
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17 Whereas, pursuant to the requirement, people age 19 to 62 who depend on the plan must
18 certify to the state that they have spent at least 80 hours per month either working, or getting
19 trained to work, and
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21 Whereas, approximately 670,000 Michigan residents (approximately five percent of the state
22 population) get health care through the HMP, which covers low-income adults, and
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24 Whereas, about twenty percent (130,000) of HMP enrollees would be exempt from the work
25 requirement, while the other 80 percent (540,000) would not be exempt, and
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27 Whereas, approximately five to ten percent of the non-exempt population is expected to
28 lose coverage per the Michigan House Fiscal Agency’s estimate that up to 54,000 Michiganders
29 would lose Medicaid coverage through implementation of the state’s proposal to take Medicaid
30 away from people who do not meet the work requirement, and
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32 Whereas, the Kaiser Family Foundation has estimated that, if a work requirement were
33 implemented at the national level, approximately 1.4 to 4 million enrollees (six to seventeen
34 percent of non-elderly, non-disabled adult Medicaid enrollees) would lose coverage, and
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36 Whereas, Michigan’s Medicaid expansion has been extremely successful, extending
37 coverage and access to care to more than one million low-income adults in Michigan since April
38 2014, and improving their physical and financial health, and
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40 Whereas, the HMP currently provides coverage to more than 668,000 low-income
41 Michiganders while also providing economic benefits to the state and reducing uncompensated
42 care for hospitals and other safety net providers, and
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44 Whereas, the HMP has cut Michigan’s uninsured rate in half since expansion began in April
45 2014. Half of non-working adults reported that having Medicaid made it easier to look for work,
46 and nearly 70 percent of those already working said Medicaid made it easier to work or made them
47 better at their job, and
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49 Whereas, most Medicaid adults are already working; among those who are not working,
50 most report barriers to work, and

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52 Whereas, those in better health and with more education are more likely to be working.
53 Even when working, adults with Medicaid face high rates of financial and food insecurity, as they
54 are still living in or near poverty. Half report that they are very or moderately worried that they will
55 not have enough money to pay normal monthly bills, and more than four in ten say they are very
56 or moderately worried about having enough money for housing, rates similar to non-working
57 adults with Medicaid. While income gained from work can improve financial security, this pattern
58 shows that low-income workers still face substantial insecurity given the nature of their jobs.
59 Additionally, people who meet Medicaid work requirements through participating in volunteer
60 activities will not gain income to improve their financial security, and

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62 Whereas, there are high rates of functional disability and serious medical conditions among
63 Medicaid adults, especially among those not working. More than a third (34 percent) of those not
64 working live with multiple chronic medical conditions such as hypertension, high cholesterol,
65 arthritis, or heart disease, and half (51 percent) have a functional limitation, including mobility,
66 physical, or emotional limitations, and

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68 Whereas, many adult Medicaid beneficiaries do not use computers, the internet, or e-mail,
69 which could be a barrier in finding a job and in complying with work reporting requirements. More
70 than a quarter (26 percent) of adult Medicaid beneficiaries report that they never use a computer,
71 25 percent do not use the internet, and 40 percent do not use e-mail, which may pose a barrier to
72 gaining a job and complying with reporting requirements under state waivers, and

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74 Whereas, an earlier analysis of potential nationwide reductions in Medicaid coverage if all
75 states implemented work requirements estimated that most disenrollment would be among
76 individuals who would remain eligible, but lose coverage due to new administrative burdens or red
77 tape, and only a minority would lose eligibility due to not meeting new work requirements, and

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79 Whereas, work requirements may not result in increased employment or employer-based
80 health coverage. Arkansas enrollees reported that new work requirements did not provide an
81 additional incentive to work, beyond economic pressures to pay for food and other bills. Another
82 study found that work requirements in Arkansas did result in significant changes in employment.
83 Among individuals who may find work, low-income jobs are not likely to come with employer-
84 sponsored insurance (ESI). ESI offer rates are low among poor (below 100 percent FPL) and low-
85 income (between 100 and 250 percent FPL) workers who work full-time (25 percent and 42 percent,
86 respectively). Very few part-time workers, especially those with low-incomes, receive an employer-
87 sponsored offer of health benefits, and

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89 Whereas, several state-adopted Medicaid work requirements have been challenged in court
90 including Michigan's policy, and

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92 Whereas, federal judges have blocked Medicaid work requirements in Arkansas, Kentucky,
93 New Hampshire, and, most recently, Michigan, further raising the question of whether the issue will
94 be taken up by the Supreme Court; therefore be it

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96 RESOLVED: That MSMS continue to advocate for the elimination of Medicaid work
97 requirements, as well as other barriers to state Medicaid insurance plans.

Relevant MSMS Policy:**Opposition to Medicaid Work Requirements**

MSMS opposes work requirements as a criterion for Medicaid eligibility. (Res22-19)

Relevant AMA Policy:**Opposition to Medicaid Work Requirements H-290.961**

Our AMA opposes work requirements as a criterion for Medicaid eligibility.

Sources:

1. Michigan House Fiscal Agency, "Legislative Analysis on Healthy Michigan Work Requirements and Premium Payment Requirements," June 6, 2018, <http://www.legislature.mi.gov/documents/2017-2018/billanalysis/House/pdf/2017-HLA-0897-5CEEF80A.pdf>.
2. Source: Kaiser Family foundation analysis of March 2018 Current Population Survey
3. Center for Health and Research Transformation, Ann Arbor MI
4. Kaiser Family Foundations: <https://www.kff.org/medicaid/issue-brief/implications-of-a-medicare-work-requirement-national-estimates-of-potential-coverage-losses/>