

How Medicaid Work Requirements Will Harm People With Disabilities and Serious Illnesses

Millions of low-income adults with disabilities and serious illnesses get health coverage through Medicaid. Many qualify because they receive Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), but millions more are covered under the Affordable Care Act's (ACA) Medicaid expansion and longstanding coverage for low-income parents.

The Trump Administration is now allowing states to impose work requirements on adult Medicaid enrollees, other than those who qualify because they are receiving disability benefits like SSI or SSDI. But since nearly [three-fifths](#) of all non-elderly adult Medicaid enrollees with disabilities — or almost 5 million people — do *not* receive SSI or SSDI, work requirements will still have severe — and likely disproportionate — impacts on people with disabilities.

The Administration has already approved Kentucky's work requirement, which requires non-elderly adults to provide documents each month showing that they worked, searched for a job, or volunteered at least 80 hours. While Kentucky says it plans to exempt people deemed "medically frail" and those with an acute medical condition that keeps them from working, it's likely that many people with disabilities won't qualify for an exemption or will be unable to prove that they do.

Many People With Disabilities Could Be Subject to Work Requirements

In states that have taken up the ACA's Medicaid expansion, Medicaid coverage is now available to adults with incomes below 138 percent of the poverty line (\$16,643 for an individual in 2017). In those states, Medicaid expansion has been critically important to millions of poor individuals with physical and mental disabilities and illnesses who are not receiving federal disability benefits, as well as some who receive SSDI but must wait two years for their Medicare benefits to kick in. A [study](#) of Medicaid expansion enrollees in Michigan, for example, found that 23 percent had physical impairments resulting in significant functional limitations, and 20 percent had such mental impairments.

The new guidance explicitly allows states to include such individuals in their work requirement policies, noting: "[The Centers for Medicare & Medicaid Services] recognizes that adults who are eligible for Medicaid on a basis other than disability ... will be subject to the work/community engagement requirements [but] ... may have an illness or disability as defined by other federal statutes that may interfere with their ability to meet the requirements."

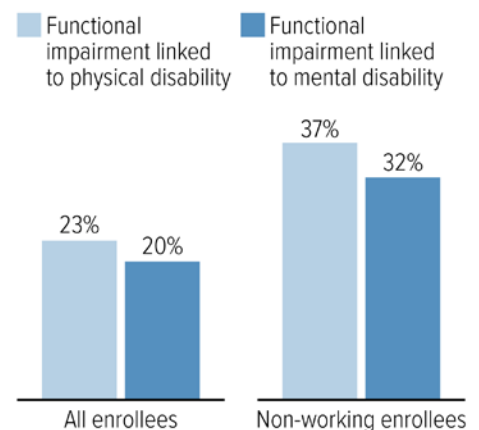
Medicaid beneficiaries with disabilities or illnesses are far likelier than other beneficiaries to be unemployed, working less than full time, or sporadically employed, which means many will lose coverage unless they can show they are exempt. In Michigan, these groups were much more likely to be unemployed than other enrollees. (See chart.) Nationally, studies estimate that about [one-third](#) of all non-working, non-elderly adult Medicaid enrollees not receiving SSI report that they are unable to work due to a disability.

Exemptions Won't Keep People With Disabilities From Losing Coverage

Kentucky's recently granted waiver does propose limited exemptions for people who are "[medically frail](#)" and for those "diagnosed with an acute medical condition" that prevents compliance, but these exemptions won't keep beneficiaries from falling through the cracks. First, the exemptions are narrow, and many people won't qualify as medically frail. Arkansas, for example, [estimates](#) that just 10 percent of expansion enrollees are "medically frail" — short of the third of non-SSI adult Medicaid enrollees nationwide unable to work because of a disability and far less than the 69 percent of

Many Medicaid Expansion Enrollees Have a Disability — Especially Those Not Working

Share of Michigan Medicaid expansion enrollees, 2016



Note: "Expansion enrollees" = those getting coverage due to their state expanding Medicaid under the Affordable Care Act.

"Functional impairment" = limitations in carrying out activities of daily living.

Source: Tipimani *et al.*, "Employment Status and Health Characteristics of Adults with Expanded Medicaid Coverage in Michigan"

Michigan Medicaid expansion enrollees who report serious chronic conditions that may sometimes prevent them from working.

Second, even people with disabilities who should qualify for exemptions may struggle to prove that they do so. Obtaining physician testimony, medical records, or other required documents may be difficult, especially if beneficiaries don't have health coverage while seeking to prove they are exempt. Red tape and paperwork requirements [have been shown](#) to reduce enrollment in Medicaid across the board, and people coping with serious mental illness or physical impairments may face particular difficulties meeting these requirements.

The experience of work requirements for [other programs](#) shows that people with disabilities are disproportionately likely to be sanctioned, despite many of them qualifying for exemptions. Effectively, people with disabilities may become collateral damage in an attempt — likely an [unsuccessful one](#) — to increase employment among the [small minority](#) of adult Medicaid enrollees who are not already working, or are ill or disabled, caregivers, or in school.

The Administration's guidance puts the onus on states to comply with the Americans with Disabilities Act (ADA) and other legislation protecting people with disabilities, including providing "reasonable modifications" to "ensure that individuals with disabilities are not denied Medicaid for inability to meet [work] requirements." But it provides few specifics about how they must do so. Likewise, Kentucky's waiver says that the state must provide reasonable ADA accommodations, but it doesn't say what the accommodations should be or who is entitled to them, whether the state must identify beneficiaries entitled to accommodations, or how beneficiaries themselves would request them. The guidance also makes clear that states need not provide any new services to support people facing work requirements, and if they do provide them, federal Medicaid funds won't be available to help defray the costs.

[Losing Coverage Will Worsen Health — and Could Impede Employment](#)

Losing coverage worsens health for all groups, which is why physician groups like the [American Medical Association](#), [the American Academy of Family Physicians](#), [the American Academy of Pediatrics](#), and [others](#) oppose Medicaid work requirements. But the resulting coverage losses will be especially harmful to people with disabilities and serious illnesses, who typically need regular care to manage their conditions. Coverage interruptions lead to increased emergency room visits and hospitalizations, admissions to mental health facilities, and health care costs, [research](#) has shown.

And by worsening access to health care, Medicaid work requirements will likely *impede* employment among people with disabilities. These policies set an "[impossible standard](#)," explains The Arc, a leading advocacy organization for people with intellectual and developmental disabilities: "Many people with serious health conditions require access to health care services to ... maintain their health and function... Requiring individuals to work to qualify ... would create a situation in which people cannot access the services they need to work without working — setting an impossible standard."

[Work Requirements Won't Increase Economic Mobility](#)

Ironically, in arguing that work requirements will advance economic mobility, the Administration cited Medicaid's work support programs for people with disabilities. But the two approaches couldn't be more different. Medicaid's employment support programs are *voluntary* programs that give people with disabilities who want to work the opportunity to do so by helping them gain the skills they need to find and keep a job. Medicaid buy-in programs likewise are voluntary programs allowing working people with disabilities to buy into Medicaid so they can stay covered after their earnings exceed Medicaid eligibility levels. The guidance on work *requirements*, by contrast, makes clear that states don't have to provide supportive services such as transportation or job training, and work requirements will likely result in the loss of the support for work that health coverage provides.

This lack of work supports is one sign that the Administration's guidance is not really aimed at improving economic mobility. Instead, the guidance — and other unprecedented provisions of Kentucky's Medicaid waiver that will make it harder for people to get coverage — reflects the [Administration's view](#) that Medicaid coverage should not have been expanded to low-income adults in the first place. That's a view that Congress rejected on a bipartisan basis last year — and one that would cause millions of people with disabilities, as well as other low-income adults, to lose coverage.

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For a version of this fact sheet with links to sources, see <https://www.cbpp.org/research/how-medicaid-work-requirements-will-harm-people-with-disabilities-and-serious-illnesses>.