

Kentucky is first to get OK for Medicaid work requirement

January 12 2018, by Adam Beam

Kentucky became the first state to require many of its Medicaid recipients to work to receive coverage, part of an unprecedented change to the nation's largest health insurance program under the Trump administration.

The Centers for Medicare and Medicaid Services announced the approval on Friday. The change will require adults between the ages of 19 and 64 to complete 80 hours per month of "community engagement" to keep their coverage. That includes getting a job, going to school, taking a job training course and community service.

The decision marks a dramatic shift for Kentucky, which embraced former President Barack Obama's Affordable Care Act under its last governor, a Democrat, and won praise for posting some of the largest gains in getting its residents insured.

Republican Gov. Matt Bevin, who was elected in 2015, said Friday that the state consistently ranks near the bottom of the country in health outcomes.

"The idea we should keep doing what we are doing is an insult to the people of Kentucky," Bevin said.

Bevin expects the changes to save the state more than \$300 million over the next five years. But he also estimated as many as 95,000 people could lose their Medicaid benefits, either because they did not comply

with the new rules or they lose their eligibility because they make too much money.

"It will be transformational," Bevin said at a news conference. "Something we have not seen in America in a quarter century."

Advocates for the poor have said work requirements will become one more hoop for low-income people to jump through, and many could be denied needed coverage because of technicalities and challenging new paperwork. Lawsuits are expected as individual states roll out work requirements.

Bevin has dubbed the new program Kentucky Helping to Engage and Achieve Long Term Health, or Kentucky HEALTH. It is expected to begin in July.

"Overall, CMS believes that Kentucky HEALTH has been designed to empower individuals to improve their health and well-being," CMS Principal Deputy Administrator Demetrios L. Kouzoukas wrote in a letter announcing the change.

Democratic U.S. Rep. John Yarmuth called the changes "dangerous and irresponsible."

"The Trump administration has agreed to end health coverage for 95,000 Kentuckians," Yarmuth said. "Make no mistake: People will die because of this."

Calling the Trump administration's waivers "unprecedented," two senior congressional Democrats who work on Medicaid issues asked the nonpartisan Government Accountability Office to review the government's decision-making process.

"It is critical that key decisions regarding eligibility, coverage, benefits, delivery system reforms, federal Medicaid spending, and other important aspects of these demonstrations are transparent, accountable, and in line with congressional intent," wrote Rep. Frank Pallone of New Jersey and Sen. Ron Wyden of Oregon.

Created in 1965 for families on welfare and low-income seniors, Medicaid now covers more than 70 million people, or about 1 in 5 Americans. The federal-state collaboration has become the nation's largest health insurance program.

There are many exemptions to the work requirement, including the "medically frail," a broad term that includes people suffering from chronic alcohol and drug abuse in a state that has been one of the hardest hit by the opioid epidemic.

Other exemptions include pregnant women, full-time students, former foster care youth, primary caregivers of dependents (limited to one per household) and people diagnosed with "an acute medical condition that would prevent them from complying with the requirements."

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