

Hundreds of thousands of Kentucky residents could lose Medicaid under the work demonstration project

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In January of 2018, 15 Kentucky Medicaid beneficiaries filed a lawsuit in the United States District Court for the District of Columbia challenging the federal government's legal authority to launch Medicaid work demonstrations and its approval of Kentucky's Medicaid work demonstration, the first in the nation. The lawsuit (*Stewart v. Azar*) seeks to block the implementation of Medicaid work demonstrations because they are contrary to law and pose major health risks for the poorest and most vulnerable citizens.

On April 6, 43 public [health](#) scholars, including 8 Deans and Associate Deans at schools of public health, public policy and public administration, filed a public health "friend of the court" brief to support the 15 Medicaid enrollees. The amicus brief says that in the history of 1115, no administration has ever used its power simply to remove people from Medicaid. The brief also argues that the work requirements are unlawful, contrary to the very purpose of the Medicaid program. The Deans and scholars also present evidence that, based on past experience with similar work requirements under the SNAP program, the Kentucky demonstration as approved could result in loss of Medicaid for hundreds of thousands of people in Kentucky alone, a far higher figure than that presented to the federal government by the state.

"Unless such work requirements are stopped, millions of low-income Americans are at major risk of losing the protection of health

insurance," said Lynn R. Goldman, Michael and Lori Milken Dean of the Milken Institute School of Public Health (Milken Institute SPH) at the George Washington University and one of the [public health](#) deans joining the brief. "The work requirements are in conflict with Medicaid's core objective, which is to provide medical assistance for the poorest and most vulnerable Americans who qualify for help."

If the court does not stop implementation of work requirements in Kentucky, other states would follow that lead, argues the brief. The end result: Medicaid beneficiaries in states across the nation are likely to lose access to care for both preventive and serious and chronic health conditions, some of which could be life-threatening.

The amicus brief points out that while the federal government and Kentucky admit that a considerable number of Medicaid recipients (nearly 100,000 over 5 years) would lose coverage, they grossly underestimate the number of people who would be adversely affected by Medicaid work requirements.

Based on previous experience with similar requirements, although not as harsh as those approved by the Trump Administration, the scholars conclude that Medicaid losses would be much deeper and come faster. This estimate is supported by research that looks back at the experience of imposing work requirements on recipients of food stamps or the Supplemental Nutrition Assistance Program (SNAP). The analysis by researchers at the Milken Institute SPH suggests that in view of the size of Kentucky's adult Medicaid enrollment, just as SNAP recipients lost coverage when work requirements were imposed, an estimated 175,000 to 300,000 Medicaid recipients are likely to lose coverage under Kentucky's plan in the first year alone.

The Trump administration contends that work requirements promote good health, but the Deans, chairs and scholars in this brief say that there

is no evidence that work makes people healthy, only that healthy people are more likely to work. In fact, they say many Medicaid recipients suffer from chronic conditions that make it difficult or impossible for them to work without health insurance. Many others do work, including those who hold down more than one job and whose jobs offer no health benefits. However, new premium requirements, along with added paperwork, and the inability to find transportation or get time off from these low-wage jobs would make it difficult for many workers to get and keep coverage. The brief further argues that the Administration had massive evidence in the administrative record, on which approval must be based, regarding the harm that approval would cause, along with the absence of benefits to be gained, and simply chose to ignore it.

In addition to Kentucky, Arkansas and Indiana have also been approved for projects to impose work requirements on Medicaid recipients; many other states are in the process of seeking approval for [work](#) requirements and other policies that will result in elimination of coverage.

The brief also points out that the [federal government](#) ignored the spillover effects of its approved demonstration, particularly its impact on the health care safety net in the poorest communities that benefitted most from the Medicaid expansion and that risk loss of access to care on a community-wide basis. One example of this spillover, the brief points out, is the state's community health centers; based on the proportion of patients who could lose coverage, health centers could experience revenue drops steep enough to lay off up to 700 staff and eliminate care for up to 100,000 patients - about 1 in 4 patients served by Kentucky health centers today.

The amicus brief, which can be accessed Milken Institute School of Public Health [here](#), was filed April 6. The Deans and scholars were represented by the Washington, DC law firm of Feldesman Tucker Leifer Fidell, LLP.

Provided by George Washington University

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