



Medicaid Work Requirements Are a Medicaid Cut in Disguise

- **Medicaid enrollees under age 65 are working.¹**

Despite the inaccurate rhetoric, most Medicaid enrollees are working full-time or part-time. Two out of three non-elderly adult Medicaid enrollees are employed. The other third either have a disability, are caring for family members, or are attending school. Factors such as health, education, access to child care, and the local economy where they live greatly impact whether they can find work or not. Fully 70% of those adults who depend on Medicaid and have excellent or very good health are working. Also 70% of those with a bachelor's degree or higher are working, compared to the 55% without a high school degree. Those who depend on Medicaid typically are employed in restaurants and food services, or construction, both industries with irregular hours and unpredictable scheduling. That lack of steady work can mean an individual who is working can't document it fully to satisfy a Medicaid work requirement.

- **Work requirements will shift \$65 billion onto state budgets.**

The Congressional Budget Office estimated that it would cost states \$65 billion over a ten-year period to maintain health coverage for some 900,000 people² who would lose it because they could not document that they were working the required hours on a regular basis.

- **Cuts to Medicaid will harm rural communities disproportionately.**

In 15 states, 20% or more of non-elderly adults living in small towns and rural areas rely on Medicaid for their health coverage. These include Alaska (20.4%), Arizona (35.9%), Arkansas (22.0%), Kentucky (28.5%), Louisiana (30.2%), Maine (21.9%), Massachusetts (21.5%), Michigan (21.2%), Montana (22.2%), New Mexico (31.6%), New York (33.9%), Oregon (24.9%), Washington (24.4%), West Virginia (25.5%), and Vermont (21.7%).³

- **Rural counties with the highest rates of people who depend on Medicaid also have higher rates of unemployment.**

Adults on Medicaid do not need an incentive to work, they need an economy that supports decent job opportunities with steady hours and sustaining wages. In economic environments where there is a high rate of unemployment, a work requirement would serve to take away coverage from millions of Americans who are seeking work but can't find it.

¹ <https://www.kff.org/report-section/understanding-the-intersection-of-medicaid-and-work-an-update-appendix/>

² <https://www.cbo.gov/system/files/2023-04/59109-Pallone.pdf>

³ <https://ccf.georgetown.edu/2025/01/15/medicaids-role-in-small-towns-and-rural-areas/>

For example, in the Kusilvak Census Area in Alaska 41.70% of the adults depend on Medicaid and the unemployment rate is 15.6%, compared to the national rate of 4.2%; in Claiborne Parish, Louisiana 35.80% of the adults depend on Medicaid and the unemployment rate is around 5.5%; and in McDowell County, West Virginia 37.40% adults depend on Medicaid and the unemployment rate in that county is 6.8%.

- **States have tried Medicaid work requirements; the experiment was a failure.**

Requiring individuals to work to be eligible for Medicaid health coverage on its surface may seem popular, but it does not encourage work. Such policies shift costs onto states and increase the number of uninsured people, leading hospitals to see more visits to ERs and higher levels of uncompensated care. When states have implemented Medicaid work requirements it has been inefficient and ineffective. Georgia spent \$13,360 in state and federal spending per enrollee on administrative costs, not health benefits.⁴ In Arkansas, about 18,000 people, or 1 in 4 enrollees, lost coverage in just seven months in 2018 before a federal court stopped the program.⁵ **There was no evidence that more people got jobs.**

In the end Medicaid work requirements fail to address the real issue of unstable, low-wage jobs and instead shift costs onto states while increasing the number of uninsured people.

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⁴ [Pathways to Coverage PolicyBrief 2024103.pdf](#)

⁵ <https://www.healthaffairs.org/doi/10.1377/hlthaff.2020.00538>