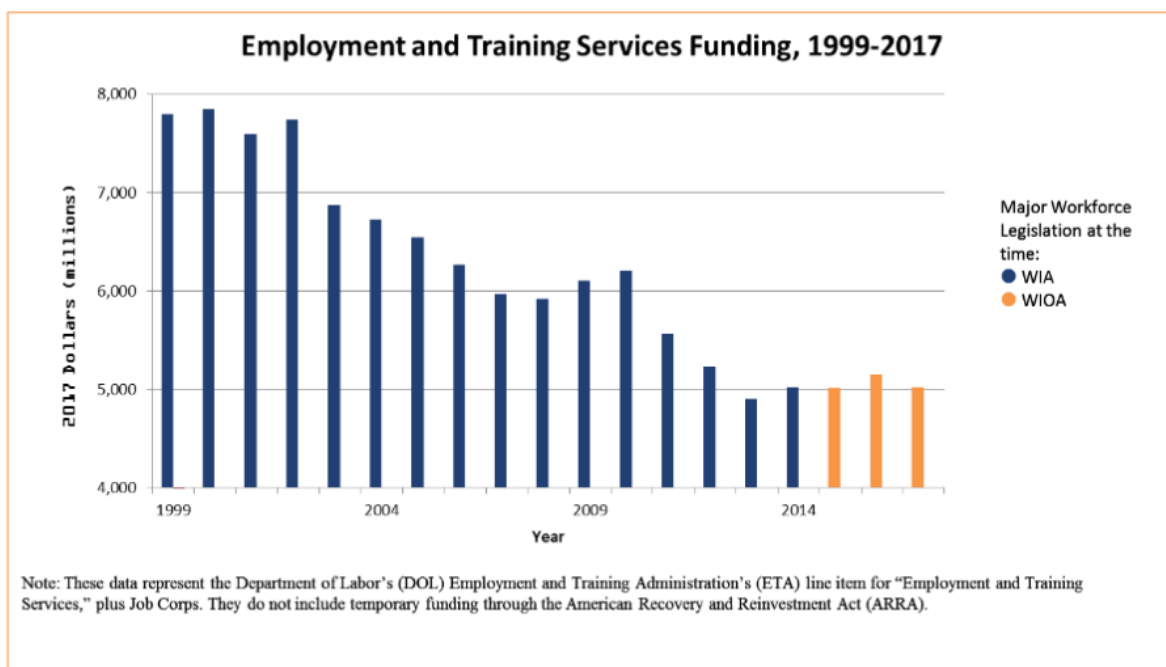


Workforce System not Funded or Structured to Help Medicaid Recipients Keep Health Care

Politicians advocating for policies that take away health care through onerous work requirements often suggest that “workforce development” programs will be able to help participants meet work requirements. However, the programs funded under the federal Workforce Innovation and Opportunity Act (WIOA),¹ the nation’s primary investment in workforce development, are neither funded nor structured to accommodate the sharply increased need created by proposed Medicaid work requirements.

Inadequate funding

WIOA and other workforce programs are already significantly underfunded. Overall, federal investment in workforce development has been decreasing, in real terms, for the last 40 years. Employment and training programs have been slashed since the early 2000s.² Given existing funding constraints on the system, WIOA Title I—which encompasses job search, education, and training activities and served just 1.6 million reportable individuals in Program Year 2016—could not absorb the added people who would be subject to Medicaid work requirements and are not working or eligible for an exemption.³ In Kentucky and Arkansas, an estimated 165,000 and 39,000 Medicaid enrollees, respectively, would be potentially nonexempt and not working and subject to work requirements.⁴ If Medicaid work requirements were implemented nationwide, more than a million adults not already working and not eligible for an exemption could be required to work a specified number of hours per month.⁵



Light-touch service for high-need participants

Given the current funding and infrastructure constraints, WIOA programs would face challenges adequately serving an influx of participants with significant barriers to employment. Among Medicaid beneficiaries in Kentucky who are not working and do not qualify for an exemption, the Urban Institute finds that this population is unlikely to overcome barriers with a punitive work requirement policy. Approximately three in four people (74 percent) in this Kentucky population do not have access to a vehicle or the internet in their household, have not completed high school, or have a serious health limitation or live with someone who does.⁶ Further, a national study found that 36 percent of unemployed adults receiving Medicaid—but who are not receiving Disability/Supplemental Security Income—reported illness or disability as their primary reason for not working.⁷

Regardless of their barriers, WIOA participants typically start with very low-touch “job search” in which individuals use job center computers to search and apply for jobs or work on resumes and cover letters. Research shows that job search is not an effective long-term strategy, especially for people with barriers to employment.⁸ Because of the lack of funding and WIOA’s accountability system, the great majority of these participants will never get beyond job search to more intensive services such as occupational training.

Conclusion

People need to be healthy to live, work, and thrive. Policymakers should not take away people’s health care when they are unable to meet stringent hours requirements. If policymakers were serious about helping people work, they would promote policies that remove barriers by increasing the funding for high-touch, high-quality workforce education/training through WIOA and offering more support services like child care and transportation.

Endnotes

¹ An accompanying fact sheet describes WIOA programs in detail.

² "Federal Investment in Employment and Job Training Services Has Declined Over the Last 40 Years." December 2017. CLASP. <https://www.clasp.org/publications/fact-sheet/federal-investment-employment-and-job-training-services-has-declined-over>

³ "Implications of a Medicaid Work Requirement: National Estimates of Potential Coverage Losses." Henry Kaiser Family Foundation. June 2018. <https://www.kff.org/medicaid/issue-brief/implications-of-a-medicaid-work-requirement-national-estimates-of-potential-coverage-losses/>

⁴ Anuj Gangopadhyaya and Genevieve M. Kenney, "Updated: Who Could be Affected by Kentucky's Medicaid Work Requirements, and What Do we Know About Them?" (Washington, DC: Urban Institute, March 2018) https://www.urban.org/sites/default/files/publication/96576/3.26-ky-updates_finalized_1.pdf; and Anuj Gangopadhyaya, Genevieve M. Kenney, Rachel A. Burton, Jeremy Marks, "Medicaid Work Requirements in Arkansas: Who Could be Affected, and What Do we Know About Them?" (Washington, DC: Urban Institute, May 2018) https://www.urban.org/sites/default/files/publication/98483/2001846_2018.05.23_arkansas_medicaid_finalized.pdf.

⁵ "Implications of a Medicaid Work Requirement: National Estimates of Potential Coverage Losses." Henry Kaiser Family Foundation. June 2018. <https://www.kff.org/medicaid/issue-brief/implications-of-a-medicaid-work-requirement-national-estimates-of-potential-coverage-losses/>.

Based on Figure 2, approximately 1.4 million (23.5 million * 6 percent) non-dual, non-SSI, nonelderly Medicaid adults are not working and potentially nonexempt. This figure is conservative since many individuals who are caregiving (11%), in school (6%), and have a disability (15%) may not receive an exemption and would also be required to work a certain number of hours per month.

⁶ Anuj Gangopadhyaya and Genevieve M. Kenney "Updated: Who Could be Affected by Kentucky's Medicaid Work Requirements, and What Do We Know About Them?" Urban Institute, March 2018 https://www.urban.org/sites/default/files/publication/96576/3.26-ky-updates_finalized_1.pdf.

⁷ Rachel Garfield, Robin Rudowitz, and Anthony Damico, "Understanding the Intersection of Medicaid and Work," Kaiser Family Foundation, February 15, 2017, http://kff.org/medicaid/issue-brief/understanding-the-intersection-of-medicaid-and-work/?utm_campaign=KFF-2017-Medicaid&utm_content=46331383&utm_medium=social&utm_source=twitter.

⁸ Heinrich, Carolyn J., Workforce Development in the United States: Changing Public and Private Roles and Program Effectiveness, June, 2016, https://my.vanderbilt.edu/carolynheinrich/files/2016/06/Workforce-Development_Heinrich-June-2016.pdf.