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House Republican Bill Would Impose a One-Size-Fits-All Medicaid Work Mandate on States

By Allie Gardner

A provision taking health coverage away from people who can't meet or regularly document they meet a work requirement or qualify for an exemption is at the center of the House Republican reconciliation bill's more than $800 billion in cuts to Medicaid.[1] The provision would leave nearly 5 million people uninsured, the Congressional Budget Office (CBO) estimates, cutting $344 billion from Medicaid over a decade.[2]

And states wouldn't be able to do much about it, even when it conflicted with their own work requirement proposals. Recent state proposals differ in significant ways from the House bill's approach, often featuring more flexibility and a narrower scope to reflect the state's judgement of what would be feasible to implement or most workable in its communities. Yet states couldn't opt out of the House provision or modify it, even temporarily, to reflect changing economic conditions, state priorities, or specific needs.

The House provision:

- Applies to low-income adults aged 19-64 enrolled in Medicaid through the Affordable Care Act's Medicaid expansion;[3]
- Terminates coverage for Medicaid enrollees unless they can show they are doing paid work or another qualified activity for 80 hours per month (or that they are exempt);

[1] CBPP, "By the Numbers: House Bill Takes Health Coverage Away From Millions of People and Raises Families' Health Care Costs," updated June 6, 2025, https://www.cbpp.org/research/health/by-the-numbers-house-bill-takes-health-coverage-away-from-millions-of-people-and.

[2] Letter from the Congressional Budget Office to Ranking Members Ron Wyden, Frank Pallone Jr., and Richard E. Neal, "Re: Estimated Effects on the Number of Uninsured People in 2034 Resulting From Policies Incorporated Within CBO's Baseline Projections and H.R.1, the One Big Beautiful Bill Act," June 4, 2025, https://www.cbo.gov/system/files/2025-06/Wyden-Pallone-Neal_Letter_6-4-25.pdf.

[3] Wisconsin would also be included in the reconciliation bill's work requirements mandate. Although it has not enacted the ACA Medicaid expansion, Wisconsin provides minimum essential coverage for non-elderly adults without children up to 100 percent of the federal poverty level, making it subject to the mandate. Non-elderly adults in other states with waiver-based, comprehensive coverage also could be impacted.

- Denies coverage to Medicaid *applicants* who cannot show that they meet the requirement or qualify for one of its limited exemptions, with states permitted to require multiple months of compliance before allowing someone to enroll;
- Bars states from exempting any groups from the work requirement beyond the exemptions provided in the House bill;[4]
- Allows states to check whether individuals are meeting the work requirement as frequently as once a month and to require up to six months of consecutive work or work-related activities to maintain their health coverage;
- Blocks people who lose Medicaid because they don't meet the work requirement from eligibility for marketplace tax credits, even if they are working and otherwise income-eligible; and
- Must be implemented by states by the end of 2026.

Research and real-world experience both show that work requirements don't help people find or maintain work. Previous CBO analyses have found that Medicaid work requirements would not increase employment.[5] They mainly serve to sever people from health coverage, including many people who are working or should be exempt but get tripped up by the paperwork needed to prove it.

The House bill's especially punitive approach is not only more extreme than Medicaid work requirements recently considered by Congress,[6] but also more extreme in some ways than proposals from states that have already sought to implement a Medicaid work requirement.

House Provision More Extreme Than Previous Failed State Programs

Data from Arkansas and Georgia, which have implemented Medicaid work requirements, illustrate the failures of the policy. When Arkansas experimented with work requirements (which applied to expansion adults aged 30 to 49 when implemented) during the first Trump Administration, 18,000 adults — 1 in 4 of those subject to the requirement — had their coverage terminated in just the first seven months.[7] Research showed the requirements, approved under a section 1115 demonstration (or waiver), had no effect on employment.[8] In Georgia, the only state currently operating a work requirement, Medicaid applicants must document compliance with the

[4] The bill requires states to exempt parents and caretakers of dependent children, some people with disabilities, people who are pregnant, and several other groups.

[5] Letter from CBO to Ranking Member Frank Pallone Jr., "CBO's Estimate of the Budgetary Effects of Medicaid Work Requirements Under H.R. 2811, the Limit, Save, Grow Act of 2023," April 26, 2023, https://www.cbo.gov/system/files/2023-04/59109-Pallone.pdf.

[6] The Limit, Save, Grow Act of 2023, which passed the House, included mandatory work requirements for individuals aged 19 to 56 (instead of up to age 65, as required in the current House bill). The bill did not require individuals to meet the work requirement or an exemption at *application* and would not have allowed states to check compliance on a monthly basis following enrollment.

[7] Arkansas Department of Human Services, "Arkansas Works Program," December 2018, pdf-12.18_-_aw_work_requirements_report.pdf.

[8] Benjamin D. Sommers *et al.,* "Medicaid Work Requirements In Arkansas: Two-Year Impacts on Coverage, Employment, And Affordability of Care," Health Affairs, Vol. 39, No. 9, September 2020, https://www.healthaffairs.org/doi/epdf/10.1377/hlthaff.2020.00538.

requirement in order to enroll. Only a small fraction of the individuals projected to be eligible for Georgia's "Pathways" program have enrolled.[9]

Both states recently applied to the Trump Administration to make significant adjustments to their programs that reflect a less punitive approach. For example, Georgia has proposed to roll back its monthly reporting requirement in favor of making people show they are working only when they apply for Medicaid and at renewal (once[10] per year under current federal requirements).[11] Arkansas has proposed a new work requirement that would no longer require people to report their work hours every month. (Arkansas also plans to allow people to enroll in Medicaid without having to meet the requirement, as under the prior program.)[12]

The House bill reflects some of the worst elements of the original Arkansas and Georgia work requirements, such as denying coverage at application (in Georgia) and disenrolling people who do not meet the work requirement or the paperwork burdens of documenting work or an exemption (in both states). And it constructs an overall structure even harsher than many of the plans that states have implemented or are now seeking to implement.

Most notably, six of the nine states that have proposed Medicaid work requirements since the beginning of the second Trump Administration (see below) would *not* require compliance at initial application for individuals to enroll.[13] Work requirements that prevent people from enrolling block health coverage for people who recently lost their jobs or who get sick and need care to find work. .. .. The House bill would require states to implement the "at application" provision.

In another example, the House bill lacks protections for enrollees facing obstacles that might prevent them from working that previous state work requirements approved through section 1115 waivers included in the federal "special terms and conditions" (STCs). Under the STCs, states with approved work requirements were required to ensure the work requirement would "not be impossible or unreasonably burdensome" for individuals living in areas with limited transportation

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[9] Enrollment in the "Georgia Pathways" program was 7,447 as of April 30, 2025. (Accessed June 9, 2025 at https://www.georgiapathways.org/data-tracker.) Pathways was initially projected to enroll 64,336 individuals. (Department of Health and Human Services letter to Frank W. Berry, Commissioner, Georgia Department of Community Health, October 15, 2020, https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/ga/ga-pathways-to-coverage-ca.pdf).

[10] The House bill would require states to redetermine eligibility for the Medicaid expansion twice a year.

[11] Georgia's revised "Pathways" proposal would also add an exemption for parents with young children enrolled in Medicaid, remove the never-implemented monthly premium requirement, and reinstate retroactive coverage to 30 days for enrollees (the current demonstration provides no retroactive coverage). Georgia Department of Community Health, "Georgia Section 1115 Demonstration Waiver Extension Request," April 28, 2025, medicaid.gov/medicaid/section-1115-demonstrations/downloads/ga-pathway-pa-04282025.pdf.

[12] Arkansas Department of Human Services, "Request to Amend the ARHOME Section 1115 Demonstration Project," March 26, 2025, ar-arhome-pa-pathwy-prspty-04102025.pdf.

[13] Arkansas, Arizona, Georgia, Iowa, Kentucky, Ohio, South Carolina, South Dakota, and Utah have proposed work requirements since January 2025 – some due to directives in state legislation and others initiated by the state's governor. Of these, Ohio and South Carolina would require individuals to be meeting the work requirement at application; Georgia's implemented work requirement has this feature.

or high unemployment.[14] The House bill includes no such requirements for states to assess and/or make appropriate accommodations in these circumstances; nor does it give flexibility for states to do so.

The House bill allows states to opt-in to short-term hardship exemptions for people living in high-unemployment areas, but the process to request these exemptions is rigid and likely unworkable for many. Qualifying for an unemployment-related exemption would require a multi-layered process. First, the state would have to request the exemption, providing data to the Secretary of Health and Human Services showing that certain areas met the bill's definition of high unemployment. Then, individuals living in those areas would have to submit a *monthly* request to be exempt from the work requirement. (So would anyone requesting any other kind of short-term hardship exemption, such as people receiving inpatient hospital services.) Requiring both the state and the individual to apply for the high-unemployment exemption would make it unlikely the exemption would protect many people from losing coverage.

Bill Restricts State Flexibility, Including Efforts to Reduce Policy's Harmful Effects

The House bill limits states' autonomy to develop programs that actually support work and to limit the harm from work requirements by accounting for geographic or socioeconomic differences in the state. For example, it bars states from adding automatic exemptions to address state-specific developments or conditions, including high unemployment. And it does not appear to give states flexibility to count job searches as a qualified work activity or to expand the definition of educational programs that could count toward monthly hour requirements.

Since the beginning of the second Trump Administration, nine states have developed section 1115 proposals to impose work requirements on Medicaid enrollees, almost exclusively those in the expansion population, the same group targeted by the House provision. While some elements of these state proposals are more restrictive than the House bill, in many cases states are seeking some design elements meant to minimize red tape and reduce harm compared to the House bill, many of which the House bill would not allow.

Kentucky is the sole state attempting to advance a policy that's actually designed to support work.[15] The state, which is required by state legislation to seek a work requirement waiver, proposes to automatically refer Medicaid expansion adults who are not exempt from the work requirement and have no earned income to job placement assistance and other employment assistance. Individuals would not lose their health coverage if they are unable to find a job or engage in the supports. The House bill would bar such an approach.

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[14] Centers for Medicare and Medicaid Services (CMS) approval of amendment to "Arkansas Works" section 1115 demonstration, March 5, 2028, p. 24, ar-works-ca.pdf; CMS approval of "Georgia Pathways to Coverage" section 1115 demonstration, October 18, 2020, p. 21, https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/ga/ga-pathways-to-coverage-ca.pdf.

[15] Kentucky Department for Medicaid Services, "Community Engagement 1115 Demonstration Proposal," May 13, 2025, https://www.chfs.ky.gov/agencies/dms/Documents/MASTER KY Comm Eng 1115 Application (DRAFT 05.12.25) FINAL.pdf.

Proposals from Ohio and South Dakota include efforts to mitigate red tape barriers and narrow the population subject to work requirements.[16] In these proposals, any individual who is employed or has *any* earned income would meet the work requirement and could enroll in Medicaid. This contrasts sharply with the House bill's arbitrary, 80-hour-a-month work requirement, which ignores the realities of low-paid work, where hours can fluctuate or may be season-dependent (such as in agriculture and tourism).

Also, Ohio's plan has an upper age limit of 54 rather than the House bill's limit of age 64. For individuals with low incomes, the challenges in finding and maintaining employment are likely even greater for those aged 55 to 64 than for younger people.[17]

In addition, Ohio and South Dakota plan to use available data more extensively than the House bill would require to reduce documentation requirements for Medicaid applicants and enrollees. The House bill only requires states to use available data to check people's work hours, not whether they qualify for an exemption; although the House bill doesn't prohibit states from doing so, the focus on requiring states to use *ex parte* data only to verify compliance is a missed opportunity that could set people up for more red tape and a greater likelihood of losing coverage.

Even Arizona, Iowa, and Utah, whose proposals have some elements that are harsher than the House bill, also incorporate provisions that could help protect certain enrollees. Under all three state proposals, people could enroll in Medicaid without having to meet the work requirement or qualify for an exemption upfront, allowing them to access health care that can help them work. Also, for people found not to meet the required work hours or qualify for an exemption, Arizona and Iowa would suspend their coverage until the end of their 12-month eligibility period rather than terminate coverage entirely, as the House bill would require. While benefit suspension would still take away a person's access to medical care, it would give them an opportunity to resume their Medicaid coverage later without having to reapply, which can be an onerous process.

Finally, these three states would allow exemptions for certain populations in transitional periods from work requirements, including people released from carceral settings within the past six months, people experiencing homelessness, and people who have lost their job and are receiving unemployment benefits. Unemployment insurance is temporary and requires individuals to be seeking employment, so exempting them from Medicaid work requirements eliminates the need for them to follow separate rules for both programs in order to keep their health coverage. The House bill makes no allowance for these populations and would prohibit states from authorizing these exemptions.

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[16] Ohio Department of Medicaid, "Group VIII 1115 Demonstration Waiver," February 28, 2025, https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/oh-work-reqirmnt-comunity-engmnt-pa-03072025.pdf; South Dakota Department of Social Services, "SDCareerLink: A South Dakota 1115 Demonstration Proposal," May 19, 2025, https://dss.sd.gov/docs/medicaid/1115waiver/SDCareerLink_Application.pdf.

[17] Justice in Aging, "Medicaid Work Requirements: Red Tape That Would Cut Health Coverage for Older Adults," February 2025, https://justiceinaging.org/wp-content/uploads/2023/04/Medicaid-Work-Requirements_Red-Tape-That-Would-Cut-Health-Coverage-for-Older-Adults.pdf.

It is worth noting that individuals are not protected from losing coverage because they are in an exempt population. Evidence has shown that when people are required to provide documentation that they meet an exemption, many fall through the cracks and lose coverage.[18]

The House bill prohibits the provisions of the work requirement from being waived through a section 1115 waiver. Thus, even if a state has proposed its own version of work requirements, it would be precluded from making any adjustments to the requirement established by the House bill. This prohibition would prevent states subject to the House bill's work requirement from making small changes that could better support helping people in their states work. .

With the exception of Kentucky, all of the current state proposals to enact work requirements would cause unnecessary harms and coverage loss. But the differing state approaches highlight some of the ways in which the House bill would impose restrictions that may not work for every state and would eliminate states' ability to implement policies of their design that aim to make a bad policy a little less harmful. If Congress is intent on moving ahead with work requirements even though the evidence shows they don't work, at the very least it should give states the leeway to try to make the policy work best for their state in ways that aim to promote employment and don't create more barriers for coverage.

[18] MaryBeth Musumeci, Robin Rudowitz, and Cornelia Hall, "An Early Look at Implementation of Medicaid Work Requirements in Arkansas," KFF, October 8, 2018, https://www.kff.org/report-section/an-early-look-at-implementation-of-medicaid-work-requirements-in-arkansas-key-findings-9243/.