Taking Away Medicaid for Not Meeting Work Requirements Harms American Indians and Alaska Natives

Center on Budget and Policy Priorities

Medicaid is an important source of coverage for American Indians and Alaska Natives (AI/ANs), a population that faces high unemployment and persistent health disparities, including a high uninsured rate, barriers to care, and significant physical and mental health needs. Medicaid plays a key role in addressing these challenges, especially in states with large AI/AN populations that have expanded Medicaid to low-come adults under the Affordable Care Act (ACA).

Now, the Trump Administration is allowing states to take away Medicaid coverage from people who don't document that they work a specified number of hours each month. AI/ANs' high unemployment rates put them at particular risk of losing coverage under such policies. And these coverage losses would likely have especially harmful health impacts on AI/ANs, given their high rates of serious health needs. As a bipartisan group of senators has explained, imposing work requirements in Medicaid could have "potentially devastating impacts …on AI/AN health access."

The Administration is allowing states to impose work requirements on adult Medicaid beneficiaries, other than those who are 65 or older, pregnant, or qualify for Medicaid because they receive disability benefits through the Supplemental Security Income program. In Arkansas, the first state to implement such a policy, over 18,000 Medicaid beneficiaries lost coverage in 2018 due to the new requirements. While a federal court halted Arkansas' policy, the Administration is continuing to approve similar policies in other states. Many of these policies require enrollees to document that they work or engage in other work activities (e.g., job training or volunteer work) for at least 80 hours per month unless they prove that they qualify for limited exemptions.

While CMS has allowed some states to exempt AI/ANs who are members of federally recognized tribes, qualifying for this exemption is burdensome due to the documentation requirements. For example, while Arizona has paused implementation of its work requirement, it was planning to require tribal members to produce documentation from their tribe to claim an exemption, which in some cases could require applying in person to tribal leaders or governing bodies. In addition, not all AI/ANs are members of federally recognized tribes, which means they wouldn't qualify for the exemption.

Medicaid Is Critical for American Indians and Alaska Natives

Medicaid plays an important role in AI/ANs' health, providing coverage to more than 1 in 4 adult AI/ANs and half of AI/AN children. It gives access to a broad array of health care services and providers and includes important consumer protections. It is especially important for AI/ANs in states that took up the ACA's Medicaid expansion, which extended coverage to more than 290,000 AI/ANs. Between 2013 and 2018, the uninsured rate for AI/ANs in expansion states fell by 11 percentage points, compared to 4 percentage points in non-expansion states.

Medicaid coverage reduces AI/ANs' significant mental and physical health disparities. Compared to non-Hispanic whites, AI/AN adults are twice as likely as to be overweight, obese, diagnosed with diabetes, or to experience feelings of sadness, hopelessness, and worthlessness.

Medicaid also supports Indian Health Service (IHS) and tribal facilities by paying 100 percent of the costs of care for AI/ANs who are enrolled in Medicaid and receive care at these facilities. That helps ensure that IHS and tribal facilities have the resources needed to maintain — and, in Medicaid expansion states, increase — their capacity to provide care.

American Indians and Alaska Natives at Particular Risk of Losing Coverage

Taking away Medicaid from people not meeting work requirements will put coverage at risk for all people subject to these policies, but especially for AI/ANs, who are disproportionately likely to be unemployed. That's because AI/ANs not only are likelier to live in areas with limited job opportunities, but also have other barriers to employment. The AI/AN unemployment rate averaged 11.3 percent from 2014 through 2018, almost 90 percent higher than the 6.0 percent rate for all other adults and higher than the unemployment rate for other adults in nearly all states (see Table 1). "[H]igh unemployment in Indian country … [will] create a barrier to accessing necessary Medicaid services," according to the National Indian Health Board's Caitrin McCarron Shuy. Thus, AI/ANs could be at disproportionate risk of losing coverage under a Medicaid work requirement, threatening their recent coverage and health outcome gains.

Requiring work or work-related activities as a condition of Medicaid eligibility would also make it harder for AI/ANs to stay covered *even if* they are already working or should qualify for exemptions. When Medicaid eligibility depends on completing specified hours of work activities each month, enrollees have to submit documentation each month to stay covered. AI/ANs may face particular barriers to manage this additional red tape. For example, Arkansas required enrollees to report compliance with work requirements only using the Internet; AI/ANs are disproportionately likely to live in rural areas and more likely than other enrollees to lack Internet access.

These barriers would likely lead to significant coverage losses, raising AI/ANs' uninsured rate, which is already higher than other populations. Coverage losses from work requirements could reverse a large share of the gains achieved under the ACA.

Loss of Coverage Would Have Serious Adverse Health Impacts

Losing coverage worsens health for everyone, which is why physician organizations like the American Medical Association, American Academy of Family Physicians, American Academy of Pediatrics, and others oppose Medicaid work requirements. But coverage losses and interruptions in coverage would especially harm AI/ANs, who are likelier to have serious health needs. For example, compared to non-Hispanic whites, AI/AN adults are 30 percent more likely to have high blood pressure, twice as likely to have a stroke, and three times more likely to die from Hepatitis C. For people with these types of chronic conditions, loss of access to medications and other treatment can lead to serious deterioration in health, more emergency room visits and hospitalizations, and higher health care costs, research shows.

Making it harder for AI/ANs to enroll in and maintain Medicaid coverage would also reduce revenue for the IHS and tribal facilities that provide care to AI/ANs and rely on Medicaid reimbursement as an important revenue source. That could force them to cut their capacity to treat patients, even as the share of AI/ANs lacking health insurance and other options for care remains high. The head of the Centers for Medicare and Medicaid Services Tribal Technical Advisory committee has warned that "without supplemental Medicaid resources, the Indian health system will not survive."

TABLE 1

Unemployment Rate Higher Among American Indians and Alaska Natives

Unemployment rate, 16- to 64-year-olds

State	American Indians and Alaska Natives	Others in the State
United States	11.3%	6.0%
Alabama	8.6%	6.8%
Alaska	19.7%	6.1%
Arizona	14.8%	6.3%
Arkansas	7.6%	5.7%
California	10.6%	6.9%
Colorado	9.6%	4.7%
Connecticut	12.2%	6.7%
Delaware	6.9%	6.1%
District of Columbia	9.0%	7.6%
Florida	9.4%	6.4%
Georgia	8.1%	6.5%
Hawaii	6.8%	4.8%
Idaho	12.4%	4.6%
Illinois	8.6%	6.7%
Indiana	6.7%	5.5%
Iowa	7.8%	4.0%

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Unemployment Rate Higher Among American Indians and Alaska Natives

Unemployment rate, 16- to 64-year-olds

State	American Indians and Alaska Natives	Others in the State
Kansas	9.6%	4.5%
Kentucky	11.0%	6.3%
Louisiana	8.6%	7.1%
Maine	10.0%	4.7%
Maryland	6.9%	5.7%
Massachusetts	11.1%	5.5%
Michigan	9.4%	6.7%
Minnesota	13.2%	3.9%
Mississippi	13.2%	8.5%
Missouri	9.4%	5.3%
Montana	14.0%	3.9%
Nebraska	13.9%	3.6%
Nevada	13.3%	6.9%
New Hampshire	4.4%	4.1%
New Jersey	9.2%	6.2%
New Mexico	15.3%	6.6%
New York	11.6%	6.1%
North Carolina	8.8%	6.5%
North Dakota	11.9%	2.6%
Ohio	11.3%	6.0%
Oklahoma	8.1%	5.3%
Oregon	12.3%	6.1%
Pennsylvania	13.4%	5.9%
Rhode Island	12.6%	6.2%
South Carolina	9.3%	6.7%
South Dakota	21.0%	2.6%
Tennessee	5.6%	6.1%
Texas	7.2%	5.5%
Utah	11.5%	3.9%
Vermont	6.9%	4.1%
Virginia	7.0%	5.2%
Washington	11.2%	5.4%
West Virginia	6.5%	7.0%
Wisconsin	9.9%	4.1%
Wyoming	12.1%	4.4%

Source. CBPP analysis using American Community Survey tables from the American FactFinder. All estimates are five-year averages from 2014-2018 to achieve adequate sample size.

Updated March 10, 2020

For a version of this fact sheet with links to sources, see https://www.cbpp.org/research/health/harm-to-american-indians-and-alaska-natives-from-taking-away-medicaid-for-not.