



MEDICAID EXPANSION WORK REQUIREMENTS

Background:

Under the Social Security Act, and with Centers for Medicare & Medicaid Services (CMS) approval, states can enact Section 1115 Demonstrations to test different approaches in Medicaid that maintain the program’s objectives. This allows states to implement and test policies, such as work requirements, for Medicaid enrollees. Work requirement policies generally require certain Medicaid recipients to work, volunteer, go to school, or participate in job training programs to maintain their Medicaid coverage.

Medicaid Work Requirements in Montana:

During the 2019 legislative session, community engagement/work requirement bills were introduced. HB 658 was passed in 2019, and Montana submitted an 1115 waiver request to implement them. Montana’s application for federal approval of these work requirements was ultimately never approved. Though Montana may not implement the requirements without federal approval, the state administrative rules were still promulgated and can be found under ARM 37.84.116¹ pursuant to MCA 53-6-1308.²

The enacted legislation and associated rules would require 80 hours per month of community engagement for Medicaid enrollees aged 19 to 55. Table 1 details the work/community engagement requirements included in the 2019 HELP Waiver Demonstration Amendment submitted August 30, 2019.

CMS declined to approve the waiver amendment throughout 2020. On Feb.12, 2021, CMS sent [letters](#) to all states with approved Special Terms and Conditions for work requirements informing them that CMS was in the process of evaluating whether the agency would withdraw the work requirement authorities.

Countable Activity	Exempt Activity	Number of Individuals
Employment		10,770

¹ ARM 37.84.116 can be retrieved from: <https://rules.mt.gov/browse/collections/aec52c46-128e-4279-9068-8af5d5432d74/policies/3810c2c3-cb27-477f-b6af-e68017fc60bb>

² Community Engagement Requirements can be retrieved from: https://archive.legmt.gov/bills/mca/title_0530/chapter_0060/part_0130/section_0080/0530-0060-0130-0080.html



Secondary, postsecondary, or vocational education (full or part-time student)		2,462
	In a poverty-designated county	27,431
	Medically frail	2,766
	Blind/physical disability	52
	Pregnant	165
	Mentally or physically unable to work	397
	Participating in or exempt from the work requirements of the Temporary Assistance for Needy Families program or the Supplemental Nutrition Assistance Program	6,276
	Experiencing chronic homelessness	2,132
Total Enrollees Subject to Work Requirements		12,804
Total individuals that would meet work requirements or exempt from work requirements		52,451
Total Medicaid Expansion Enrollees		65,255

(CHIMES Eligibility Data, August 2024)



The table above shows the number of enrollees as of August 2024 that would be subject to Montana’s work requirements if approved by CMS.

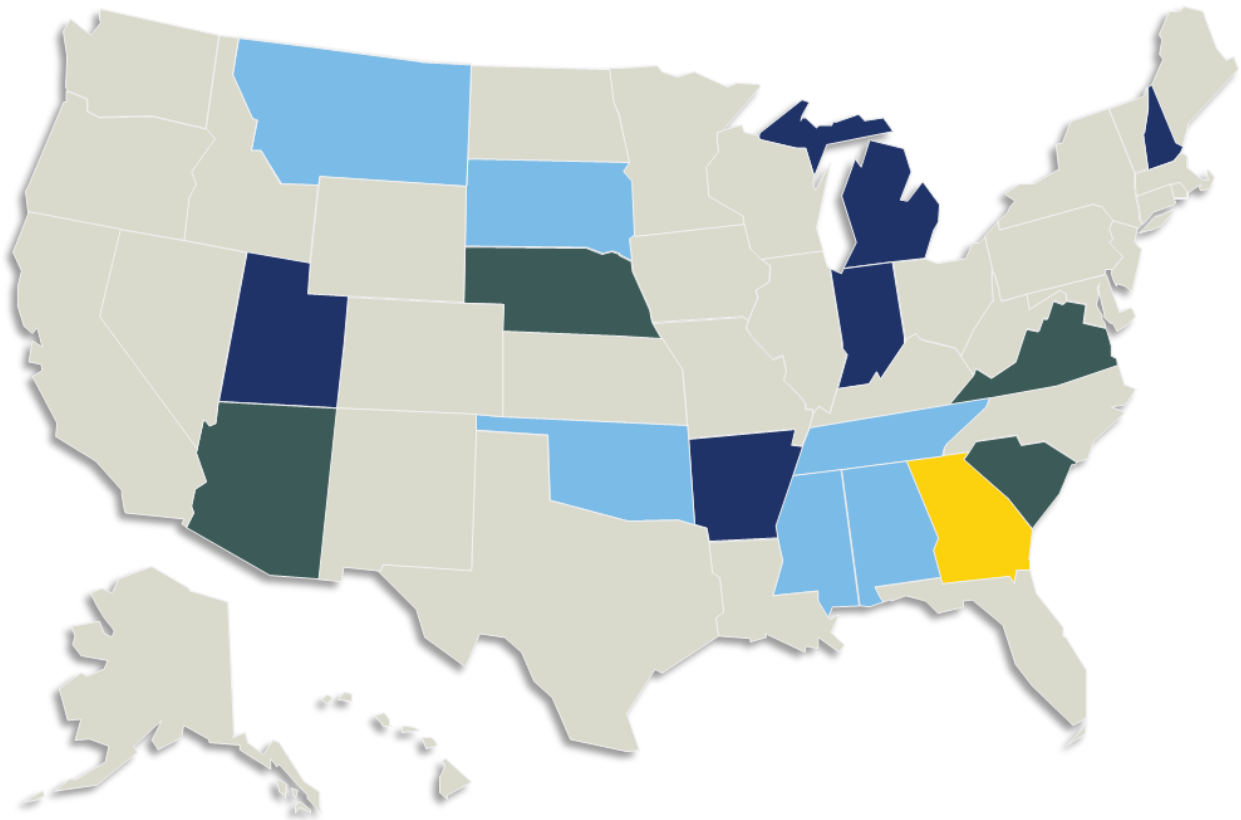
Options for Medicaid Work Requirements in Montana:

Under a new Trump Administration Montana could choose to pursue its Medicaid work requirements as submitted or consider ways to restructure what was submitted to CMS. When comparing characteristics of work requirements across other states, the following are options that could be considered.

WORK REQUIREMENT OPTIONS	
Hourly Work Search Requirements	Varies from 0 to 140 hours per month, the most common is 80. Options are to ramp up the hour requirements per month over the course of 3 to 6 months. There could be a lower hour requirement for parents with children under 6 years old.
Qualifying Activities	Qualifying activities not in Montana’s demonstration include on the job training, life skills training; health education, health insurance, and healthy lifestyles courses; engagement with Vocational Rehabilitation; accredited ESL training; internships.
Transitional Benefits	Health insurance premium assistance for individuals transitioning off Medicaid onto other insurance for up to 12 months
Populations Included	All individuals 19+, but the ending age varies from age 49 to age 64
Exemptions	Varies by state and Georgia has no exemptions. Examples include Native Americans to former foster youth.
Penalties for Non-Compliance	The non-compliance period varies from 90 to 180 days; after which individuals are no longer eligible for Medicaid. This is often followed by a 2 to 6 month waiting period before individuals are eligible for reenrollment. Nebraska’s structure allows non-compliant Medicaid enrollees to keep Basic benefits, but they lose Prime benefits. Some states allow for a good cause exemption for non-compliance related to adverse events such as domestic violence, recent hospitalization, death of a family member, divorce, etc.

Medicaid Work Requirements Nationally:

The map below shows states that have sought approval for work requirement 1115 demonstrations in the past. Although 13 have been approved, only Georgia's demonstration is currently implemented. Arkansas' demonstration was approved and implemented but was eventually terminated.³



³ More detail on state Medicaid work requirement demonstrations can be found here: <https://www.kff.org/report-section/section-1115-waiver-tracker-work-requirements/>