

Arkansas's Failed Experiment: Work Reporting Requirements in Medicaid

RED TAPE LEADS TO COVERAGE LOSSES, HURTS WORKERS

NC JUSTICE CENTER FACT SHEET

In June 2018, Arkansas began requiring Medicaid expansion enrollees ages 30-49 to report each month about whether or not they engaged in 80 hours of work, or other qualifying activities, in order to receive Medicaid coverage. If enrollees don't report, or if they report insufficient hours for any three months out of the year, they lose their Medicaid coverage and are locked out from reapplying until the next calendar year.

Coverage Losses Due to Administrative Hurdles

- **Nearly 25 percent of Arkansans subject to the requirement—18,164 people—have lost coverage, although studies suggest only 6 percent wouldn't satisfy requirements through work activities or an exemption.**ⁱ People who are working or should be exempt from reporting requirements are losing coverage due to unnecessary red tape.
- **Administrative roadblocks set enrollees up to fail; 4 out of every 5 people required to actively report are not meeting the documenting requirement.**ⁱⁱ Some Arkansans have been made automatically exempt from reporting through data matches, but the vast majority of those required to report are not succeeding at completing paper work. Data matches to other programs have proven ineffective at ensuring success with the reporting requirement and at enabling people to continue receiving coverage given their qualifying activities.
- **Less than only 2 percent of those losing coverage actually reported that they fell short of the required hours—the vast majority has been unable to report at all.**ⁱⁱⁱ The enrollees losing coverage aren't failing to work; they are failing to *document* their work through a complex administrative system.

Red Tape, Administrative Complexity, and Confusion for Enrollees

- Enrollees report not understanding the requirements, including what steps they have to take to document their work hours, as well as how to create and connect the various online accounts necessary to report.
- Enrollees report that losing coverage would make it harder for them to continue working.^{iv}

Worker with Chronic Illness Loses Job after Losing Medicaid under Requirement

Adrian McGonigal, a 40-year-old employee at a chicken factory whose Medicaid coverage helped him afford medications for his COPD, lost his coverage because of the reporting requirements. Adrian *did* report work hours initially but did not know he had to report each month. He learned that he was uninsured when going to pick up his prescriptions.

Unable to afford his medications without Medicaid, his COPD flared up and sent him to the hospital, where he incurred thousands in debt.

Due to his untreated illness, Adrian missed work, and shortly thereafter lost his job at the chicken factory.



PBS NewsHour. "With new work requirement, thousands lose Medicaid coverage in Arkansas." Nov. 29, 2018.

ⁱ Kaiser Family Foundation. "Only Six Percent of Adult Medicaid Enrollees Targeted by States' New Work Requirements Are Not Already Working and Are Unlikely to Qualify for an Exemption." June 12, 2018. See also: Kaiser Family Foundation. "Year End Review: December State Data for Medicaid Work Requirements in Arkansas." January 2019.

ⁱⁱ NC Justice Center analysis of ARWorks Monthly Reports September through December 2018.

ⁱⁱⁱ NC Justice Center analysis of ARWorks Monthly Reports September through December 2018.

^{iv} Kaiser Family Foundation. "Medicaid Work Requirements in Arkansas: Experience and Perspectives of Enrollees." Dec 18, 2018.