

# Federal and State Policies Regarding Work Requirements in Medicaid and SNAP

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## Issue

This report summarizes federal and state policies with regards to work requirements in Medicaid and the Supplemental Nutrition Assistance Program (SNAP).

## Summary

Federal law does not include work requirements for Medicaid recipients, but some states have sought waivers to implement work requirements in their plans. Before 2018, no state had received approval to include work requirements as a condition for receiving Medicaid coverage. That year, the federal Centers for Medicare and Medicaid Services (CMS) [issued guidance](#) inviting states to apply for waivers to “test incentives that make participation in work or other community engagement a requirement for continued Medicaid eligibility or coverage for certain adult Medicaid beneficiaries...” CMS subsequently approved such waivers in 13 states, but pending litigation or the COVID-19 pandemic prompted all but one (Arkansas) to halt their implementation. In 2021, CMS reversed course again, rescinding its approval for these waivers.

In Georgia, a federal district court judge issued a decision in August 2022 vacating CMS’s rescission of the state’s work requirements, thus reinstating these requirements. Under the Pathways to Coverage program, Georgia began implementing Medicaid work requirements as a condition of eligibility on July 1, 2023. Currently, Georgia is the only state in the country with work requirements for Medicaid.

Unlike Medicaid, federal law generally requires most able-bodied adults who receive SNAP benefits to meet employment requirements. Able-bodied adults without children are subject to a time limit for receiving SNAP benefits unless they meet additional work requirements. States may apply to the United States Department of Agriculture (USDA) to waive the time limit and additional work requirements for adults without children under certain conditions. Currently, 14 states, including Connecticut, have statewide approval to waive these requirements, and 21 states have waivers that apply to certain areas of the state.

## **Medicaid**

### ***Federal Guidance***

CMS policy generally does not allow states to impose work requirements on Medicaid enrollees. However, in a departure from this policy, CMS published guidance in January 2018 for states seeking to implement work requirements in their Medicaid programs through [section 1115 demonstration waivers](#). Section 1115 of the federal Social Security Act allows CMS to approve experimental, pilot, or demonstration projects proposed by states. CMS reviews state waiver applications on a case-by-case basis to determine whether the proposed program is likely to promote Medicaid objectives.

After issuing the guidance, CMS approved section 1115 waivers that included work requirements in 13 states. Of these states, Arkansas was the only state to implement work requirements with consequences for noncompliance. Implementation was paused either due to pending litigation or the COVID-19 pandemic in the other states that received approval. Nine other states had pending work requirement waiver requests that never received federal approval. The Kaiser Family Foundation (KFF) provides more information on approved or pending waivers in [its Medicaid waiver tracker](#).

In 2021, the Biden Administration reverted to previous CMS policy by revoking the section 1115 waiver guidance on work requirements and subsequently withdrawing work requirement waivers in all states that had approvals. Further, in 2022, the Supreme Court dismissed pending appeals in cases that had found work requirement approvals to be unlawful.

### ***Work Requirements in Georgia***

With implementation of [Georgia Pathways to Coverage](#), Georgia became the only state to include work requirements in its Medicaid program. Although [CMS rescinded](#) Georgia's [work requirements waiver](#), these requirements remain in place after the state [challenged](#) the decision in court and a federal judge vacated the rescission. Although CMS can generally withdraw a waiver at any time,

the [judge ruled](#) that CMS's recission of Georgia's waiver was arbitrary for reasons including that CMS failed to weigh that the waiver would have increased Medicaid coverage. CMS did not appeal the decision, and Georgia allocated \$52 million dollars in its FY 2024 budget to implement the Pathways to Coverage program, beginning July 1, 2023.

Georgia is one of [10 states](#) that have not expanded Medicaid to low-income adults as authorized under the federal Affordable Care Act. While other states' work requirements waivers were [shown or predicted](#) to decrease Medicaid enrollment, Georgia's waiver partially expands coverage. Without the waiver, only parents who make less than 31% of the federal poverty level (FPL) (i.e., about \$7,700 for a family of three in 2023) qualify for Medicaid. The [waiver](#) expands coverage to all adults making up to 100% of the FPL (i.e., about \$14,600 for an individual in 2023) if they meet certain work requirements. Generally, for individuals under age 65 and without a disability, enrollees are required to complete 80 hours of work, education, job training, or community service per month to qualify for Medicaid. When applying for the section 1115 waiver, Georgia [estimated](#) that the expansion would extend coverage to about 64,000 individuals. Because the state is not fully expanding Medicaid (i.e., extending coverage to all adults earning up to 138% of the FPL), it does not qualify for enhanced federal funding for the program, as discussed in [recent reporting from CNN](#).

### ***Recent Action in and Implications for Other States***

In the past year, at least two states, [Iowa](#) and [West Virginia](#), considered legislation that would have directed each state to seek such a waiver and resubmit the waiver request periodically until approved. In both states, the legislation did not become law.

In March 2023, North Carolina became the 41<sup>st</sup> state or jurisdiction (including Washington DC) to expand Medicaid to low-income adults. The [legislation](#) authorizing expansion includes a provision directing the state's Department of Health and Human Services to seek federal approval to condition Medicaid eligibility on compliance with work requirements if there is any indication that CMS would grant approval.

In June 2023, Arkansas submitted to CMS a new [section 1115 waiver request](#) to implement amended work requirements in the state Medicaid plan. Unlike the state's previous work requirements plan, the [proposed plan](#) will not terminate coverage for noncompliance. Instead, noncompliant enrollees will be reassigned from their private insurance plan that is paid for by Medicaid to coverage administered directly by the Medicaid program. The waiver request is currently [pending](#) CMS approval, but if approved, Arkansas plans to begin implementing the new requirements on January 1, 2024.

Unlike in Georgia, Medicaid work requirements recently considered or proposed in other states would affect current enrollees rather than only a new coverage group. Therefore, it is unclear whether the rationale the judge used in Georgia would apply. While the Biden Administration has signaled that no new work requirements will be approved, a future administration could revisit section 1115 waiver provisions.

## SNAP

### *Federal Work Requirements*

Unlike Medicaid, SNAP has generally included work requirements as a condition of eligibility. Generally, individuals between the ages of 16 and 59 who are able to work and do not meet [exemption criteria](#) must (1) register for work, (2) participate in a work program if assigned, (3) take a suitable job if offered, and (4) not voluntarily quit a job or reduce work hours below 30 hours a week without good reason.

Able-bodied adults who have no dependents are subject to a time limit for receiving SNAP benefits unless they meet additional work requirements ([7 C.F.R. § 273.24](#)). Generally, these able-bodied adults without dependents (ABAWDs) can only receive three months of SNAP benefits in a 36-month period, unless they:

1. Work or volunteer at least 20 hours per week, averaged monthly;
2. participate in and comply with work program requirements for 20 hours per week, as determined by the state agency;
3. combine the two (work and work program participation) for a total of 20 hours per week; or
4. participate in a state's "workfare" program (i.e., unpaid work in exchange for cash assistance).

Certain ABAWDs, such as veterans, pregnant people, people experiencing homelessness, and adults under age 25 who were previously in foster care, are [excused](#) from the work requirement and time limit.

Until recently, ABAWDs were defined as adults between the ages of 18 and 49. However, the [Fiscal Responsibility Act of 2023](#) broadens the ABAWD time limit work requirements in phases so that by 2025 they will apply to adults up to age 54. As of October 1, 2023, ABAWD [rules](#) apply to people between the ages of 18 and 52. Additionally, federal law allows states to exempt a certain portion of their SNAP enrollees from these requirements. The act decreased the maximum number of discretionary exemptions from 12% to 8% of a state's ABAWD caseload.

## ***State ABAWD Time Limit Waivers***

Federal time limit and work requirements for ABAWDs have been in place since 1996 and include provisions allowing states to apply for a waiver from the requirements for areas (either statewide or for geographic subdivisions) that have an unemployment rate of over 10% or do not have sufficient jobs to provide employment for affected individuals ([7 C.F.R. § 273.24\(f\)](#)).

Currently, USDA, the federal agency responsible for administering SNAP, has [approved](#) statewide ABAWD time limit waivers for 14 states, including Connecticut, and partial waivers that apply to certain areas in 21 other states. Waivers are generally approved for a 12-month period. Connecticut's current ABAWD waiver will expire November 30, 2023, at which time ABAWD in Connecticut will become subject to federal SNAP time limit work requirements unless a new statewide or partial waiver is approved by USDA.

## ***SNAP Employment and Training Programs***

Federal law requires every state to administer a SNAP employment and training program (SNAP E&T) to help members of SNAP households gain, skills, training, work, or experience that will (1) increase their ability to obtain regular employment and (2) meet state or local workforce needs ([7 U.S.C. § 2015\(d\)\(4\)\(A\)\(i\)](#)). States have considerable flexibility in how to design their SNAP E&T programs, but programs must include certain components such as job search training or workfare programs. These programs may be mandatory for all SNAP recipients who are subject to work requirements, voluntary for all, or some combination of mandatory and voluntary. Further details about federal requirements for SNAP E&T programs and [CTPathways](#), Connecticut's SNAP E&T, can be found in OLR Report [2023-R-0188](#).

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