

**The Maine Heritage Policy Center
Testimony in Support of LD 981
“An Act To Implement the State's Recently Approved
Request for a Section 1115 Demonstration for
MaineCare”**

Senator Gratwick, Representative Hymanson, and distinguished members of the Joint Standing Committee on Health and Human Services, my name is Adam Crepeau and I serve as policy analyst at The Maine Heritage Policy Center. Thank you for the opportunity to testify in support of LD 981, “An Act To Implement the State's Recently Approved Request for a Section 1115 Demonstration for MaineCare.”

The Maine Heritage Policy Center supports the implementation of work requirements and low premiums for individuals who receive Medicaid. In December 2018, the federal government approved Maine’s Section 1115 demonstration waiver to require that recipients of Medicaid work to receive benefits. The requirements are far from rigorous -- individuals would be required to work 20 hours a week, pay monthly premiums of up to \$40 a month, and contribute \$10 if they go to an emergency room for a non-emergency issue.

According to The Foundation for Government Accountability, Census Bureau data show only 16 percent of able-bodied Medicaid recipients are full-time, year-round workers and 52 percent do not work at all.¹ Work requirements provide a pathway from dependency to prosperity by empowering individuals to work their way off of government assistance programs. The waiver approved by the Center for Medicaid Services details excluded populations such as pregnant women and people who physically or mentally cannot work 20 hours or more per week.² Thus, individuals who truly cannot fulfill the requirements will not be penalized.

New Hampshire recently implemented work requirements for Medicaid recipients, necessitating that they work at least 100 hours a month (more rigorous than Maine’s request). Qualifying activities include going to school, holding a job, or participating in community service. Also, work requirements have been approved in eight other states and are pending in seven.³ While it is

¹ <https://thefga.org/research/expand-work-requirements-medicaid/>

² <https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/me/mainecare/me-mainecare-request-approval-12212018.pdf>

³ <https://www.kff.org/medicaid/issue-brief/medicaid-waiver-tracker-approved-and-pending-section-1115-waivers-by-state/>

too early to tease out the effects of this change in New Hampshire’s Medicaid program, Arkansas has seen positive results. Last year, 18,164 people left the program in Arkansas because they failed to meet the work requirements.⁴ However, the vast majority of individuals who are subject to work requirements do not fail to meet them. In fact, more than 71 percent of Medicaid recipients have consistently met the minimum work requirements to receive benefits.⁵

**Arkansas Works Clients -
Subject to the Work and Community Engagement Requirement**

Reporting Period	Met the Requirement	Did Not Meet the Requirement	Total	% Who Met the Requirement
June 2018	18,351	7,464	25,815	71%
July 2018	31,072	12,722	43,794	71%
August 2018	43,655	16,357	60,012	73%
September 2018	56,509	16,757	73,266	77%
October 2018	56,913	12,128	69,041	82%
November 2018	56,317	8,426	64,743	87%
December 2018	55,904	4,776	60,680	92%
January 2019	94,900	10,258	105,158	90%
February 2019	102,856	13,373	116,229	88%

Source: Arkansas Department of Human Services

The state of Maine is at a crossroads -- we could prioritize the Medicaid program for the truly needy or allow able-bodied adults to become dependent on it. By allowing able-bodied adults to become dependent on Medicaid, funds are being drained that could otherwise go to the truly needy. In addition, those abled-bodied adults would not be living up to their full potential if they become dependent upon the Medicaid program and do not work.

For those reasons, The Maine Heritage Policy Center urges the committee to vote, “Ought to Pass” on LD 981. Thank you.

⁴ <https://www.kff.org/medicaid/issue-brief/state-data-for-medicaid-work-requirements-in-arkansas/>

⁵ https://humanservices.arkansas.gov/images/uploads/190314_Monthly_Enrollment_and_Expenditure_Report.pdf