What Research Tells Us about Work Requirements

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In April 2018, the administration released an executive order instructing all federal agencies to develop or strengthen work requirements for people receiving federal aid through programs such as Medicaid, cash assistance, and nutrition assistance.

As agencies work through the 90-day review process, three evidence-based findings are important to keep in mind:

1. Many programs already mandate work, but those requirements have not proven to be effective.
2. Many recipients are already working.
3. Many who aren’t working want to work, but face major employment barriers like illness or lack of child care. Requiring work without removing these obstacles could cause these people to lose needed benefits.

WORK REQUIREMENTS AREN'T NEW, BUT THEY HAVE NOT PROVEN TO BE EFFECTIVE

Low-income families who receive Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP, commonly known as food stamps) benefits, and some housing assistance often must adhere to work-related requirements, whether that is searching for a job, receiving job training, or engaging in employment or community activities.

These requirements often do not help families secure stable, well-paying jobs that get them off assistance for good. For example, evidence shows that TANF work requirements put in place during a strong economy in the 1990s led to modest but unstable employment increases that decreased over time. And the jobs people found did not lift them out of poverty.

MOST MEDICAID AND SNAP RECIPIENTS WHO CAN WORK DO WORK

For many aid recipients, working isn't the problem; the problem is finding and securing jobs that pay enough and are stable enough to meet their families’ needs. Medicaid and SNAP cover the gaps between their wages and their needs.

Eight in 10 nondisabled, nonelderly Medicaid recipients live in working families, according to estimates from the March 2017 Current Population Survey. About 60 percent are working themselves. More than half (58 percent) of working-age, nondisabled SNAP households were employed while receiving benefits; for households with children, that share rises to 62 percent. More than 80 percent were employed within the year before or after receiving SNAP, indicating that they used the benefits while between jobs.
For some, though, working may not be a realistic option. Kentucky recently received a waiver to implement Medicaid work requirements. Although we don’t yet know how these changes will play out on the ground, among those potentially subject to work requirements and not already working:

- 44 percent are older than 50,
- 59 percent have at least one serious health limitation or live with someone who does, and
- 24 percent do not have a high school degree, 25 percent lack internet access, and 11 percent lack access to a vehicle.

Altogether, nearly 76 percent of these enrollees face significant challenges to finding and keeping a job, which means they are in danger of losing their Medicaid benefits.

RECIPIENTS ARE ALREADY MOTIVATED TO WORK

People receiving aid have genuine incentives to find jobs without a work requirement: they want the dignity and autonomy that come with work and the ability to support their families. To successfully obtain and retain employment, they will need access to skills, training, employment services, and other work supports.

Proponents of work requirements seek to ensure that people aren’t avoiding employment, but the evidence shows that the red tape associated with work requirements can cause people to lose access to vital supports, even when they are working or should be exempt. Even without work requirements, people eligible for Medicaid and SNAP lose access to basic health care and food for administrative reasons like late paperwork, lost notices, or office errors. Introducing or enhancing work requirements in Medicaid and SNAP could compound these risks.

Federal programs can support these adults and families by expanding access to workforce development programs and improving access to assistance that helps them maintain their health and well-being. Enacting work requirements on their own could undermine the employment and skill-development goals of the workforce development system and risk reducing access to basic health care and food for adults and children who need it.

SOURCE MATERIAL

Work Requirements in Social Safety Net Programs: A Status Report of Work Requirements in TANF, SNAP, Housing Assistance and Medicaid.
Heather Hahn, Eleanor Pratt, Eva H. Allen, Genevieve M. Kenney, Diane K. Levy, and Elaine Waxman

Work Requirements in Safety Net Programs: Lessons for Medicaid from TANF and SNAP
Heather Hahn

Who Could Be Affected by Kentucky’s Medicaid Work Requirements, and What Do We Know about Them?
Anuj Gangopadhyaya and Genevieve M. Kenney