

ALASKA STATE LEGISLATURE



SENATOR PETER MICCICHE
SENATE DISTRICT O

SB 7 Sponsor Statement

An Act requiring the Department of Health and Social Services to apply for a waiver to establish work requirements for certain adults who are eligible for the state medical assistance program.

On January 11, 2018, the Centers for Medicare & Medicaid Services (CMS) announced a new policy to assist states in their efforts to improve Medicaid enrollee health and well-being through incentivizing work and community engagement among able-bodied Medicaid beneficiaries. This is the first time the federal government has been willing to give states latitude on implementing any type of work requirements for the Medicaid program that is managed jointly by the federal and state governments.

Senate Bill 7 is designed to accomplish two primary functions: first, the bill is designed to ensure that limited resources are prioritized toward those most in need of Medicaid-related services; and second, encourage able-bodied Alaskans to reach their full potential by identifying a line of work or volunteerism that is motivational to the individual.

SB 7 directs the Department of Health and Social Services to apply for a section 1115 waiver of the Social Security Act to establish a work requirement for able-bodied adults who are not exempt. To maintain eligibility in the Medicaid program, able-bodied participants will be required to participate in work activities for at least 20 hours each week and submit proof of employment. Individuals could also meet this requirement by participating in education or training programs, volunteering, or engaging in subsistence activities for the required 20 hours in areas where work may not be available. Work activities, educational programs, or volunteerism is a step on the journey to overall health and recovery for individuals. This new policy will allow recipients to be part of a larger work and volunteer community. A modest work requirement is meant to encourage fulfillment and accomplishment and not designed to be punitive. The guidance letter from CMS supports states' efforts to align already existing work requirements in the Temporary Assistance to Needy Families (TANF) program. SB 7 follows that guidance by using exemptions found in AS 47.27.035 as the baseline exemptions. As required by CMS, a person who is enrolled in and compliant with work requirements in TANF or the Supplemental Nutrition Assistance Program (SNAP), also known commonly as food stamps, must automatically be considered compliant with the Medicaid work requirements.

SB 7 will not hinder access to treatment for substance abuse disorders by ensuring the work requirements do not prevent an individual from seeking treatment. I respectfully ask for your support for SB 7.