

Alaska State Legislature

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Sponsor Statement – Senate Bill 193

"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 the 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 government and the states.

SB 193 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 (page 1, lines 6-9). To maintain eligibility in the Medicaid program, able-bodied participants would be required to participate in work activities for at least 20 hours each week and submit proof of employment. Individuals would also meet this requirement by participating in education or training programs, volunteering, or engaging in subsistence activities for the required 20 hours. Good health is not just about physical health. A job, educational program, or volunteering is one more 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 not a punishment, but a boost to greater individual success.

The guidance letter from CMS supports states' efforts to align already existing work requirements in the Temporary Assistance to Needy Families (TANF) program. SB 193 follows that guidance by using exemptions found in AS 47.27.035 as the baseline exemptions (page 2, lines 6 – 19). 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 (page 2, lines 2-5).

SB 193 will not hinder access to treatment for substance abuse disorders by ensuring the work requirements do not prevent an individual from seeking treatment (page 2, lines 20-22).

As a matter of due process for participants, SB 193 requires a 90-day period of non-compliance of the work requirement before any Medicaid benefits are terminated.

The safety net programs of Alaska are there to catch people when they fall, but more importantly our programs should be a launching pad for independence, self-sufficiency, and a better quality of life for all participants.