

Work and Community Engagement Requirements in Medicaid: Features of Approved State Work/Community Engagement Waivers

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In January 2018, the Centers for Medicare & Medicaid Services (CMS) released a State Medicaid Director Letter (SMDL) providing guidance to states as to the circumstances under which CMS would approve 1115 demonstration waivers making work/community engagement (CE) requirements a condition of Medicaid eligibility. Since then, CMS has approved state work/CE waivers in Arkansas, Indiana, Kentucky, and New Hampshire, and additional states have submitted or are poised to submit similar waivers. Work/CE programs are complicated and costly to implement, and how states implement work/CE programs will determine whether beneficiaries find jobs, maintain or lose health insurance coverage, and experience improved health and well-being.

The following chart catalogues key features of approved Medicaid work/CE waivers and highlights the various programmatic features that states will have to implement to ensure compliance with waiver special terms and conditions. Other work/CE-related charts identifying CMS guidance and waiver special terms and conditions; Medicaid application, eligibility and enrollment requirements; information technology business requirements; and state costs associated with implementing work/CE requirements are available in the full publication, [Work and Community Engagement Requirements in Medicaid: State Implementation Requirements and Considerations](#).

Features of Approved State Work/Community Engagement Waivers

	Arkansas ¹	Indiana ²	Kentucky ³	New Hampshire ⁴
Target Population				
Target Eligibility Groups	Expansion adults with incomes ≤138% FPL	Expansion adults with incomes ≤138% FPL, parents/caretakers, and Transitional Medical Assistance (TMA) beneficiaries	Expansion adults with incomes ≤138% FPL, parents/caretakers, and TMA beneficiaries	Expansion adults with incomes ≤138% FPL
Target Ages	19-49	19-59	19-64	19-64
Key Features of Work/CE Requirements				
Required Hours of Participation in Work/CE	80 hours/month	20 hours/week (phased in from date of implementation)	80 hours/month	100 hours/month
Frequency that State Assesses Compliance	Monthly	Annually	Monthly	Monthly
Reporting Mechanism	<ul style="list-style-type: none"> > Access Arkansas electronic portal⁵ > No non-electronic option is available 	> N/A	> Citizen Connect electronic portal ⁶	> NH EASY electronic portal (New Hampshire DHHS, oral communication, April 2018)

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Penalties for Non-Compliance	<ul style="list-style-type: none"> › Coverage terminated if individual does not comply with work/CE requirements for 3 consecutive or non-consecutive months within a plan year › May not re-enroll until start of next plan year unless individual meets circumstances described below 	<ul style="list-style-type: none"> › Coverage suspended on January 1 if individuals fail to comply for >4 months during the previous calendar year › Coverage terminated for individuals whose coverage remains suspended at redetermination 	<ul style="list-style-type: none"> › Coverage suspended after 1-month grace period (“opportunity to cure”); individual can avoid suspension by completing missed hours from prior month or completing a health or financial literacy course › Coverage terminated for individuals not in compliance at redetermination 	<ul style="list-style-type: none"> › Coverage suspended after 1-month grace period (“opportunity to cure”); individual can avoid suspension by demonstrating an exemption (including a good cause exemption) or completing missed hours from prior month › Coverage terminated for individuals not in compliance at redetermination
Options to Re-activate or Re-enroll in Coverage	<ul style="list-style-type: none"> › Turn age 50 › Qualify for another Medicaid eligibility category not subject to work/CE requirements › Unable to report a good cause exemption because of a “catastrophic event or circumstances beyond the individual’s control” 	<ul style="list-style-type: none"> › Meet requirements for 1 month › Meet an exemption, including a good cause exemption › Become eligible for a Medicaid eligibility group not subject to work/CE requirements 	<ul style="list-style-type: none"> › Meet requirements for 1 month › Complete a health or financial literacy course › Meet an exemption (does not include good cause exemptions) › Become eligible for a Medicaid eligibility group not subject to work/CE requirements 	<ul style="list-style-type: none"> › Complete missed hours that resulted in suspension › Meet an exemption, including a good cause exemption › Become eligible for a Medicaid eligibility group not subject to work/CE requirements
Timing for Re-enrolling in Coverage After Termination	<ul style="list-style-type: none"> › Terminated beneficiary cannot re-enroll until start of the next plan year unless he/she meets one of the criteria above 	<ul style="list-style-type: none"> › Terminated beneficiary may re-apply at any time 	<ul style="list-style-type: none"> › Terminated beneficiary may re-apply at any time 	<ul style="list-style-type: none"> › Terminated beneficiary may re-apply at any time

Exemptions

Pregnant women (required by CMS)	✓	✓	✓	✓
Individuals who are exempt from TANF or SNAP work/CE requirements (required by CMS)	✓	✓	✓	✓
Medically frail as defined in 42 CFR 440.315(f) (required by CMS)	✓	✓	✓	✓
Individuals with an acute medical condition validated by a medical professional that would prevent him or her from complying with work/CE requirements (required by CMS)	✓	✓	✓	✓
Individuals with a disability as defined by the ADA, Section 504 or Section 1557, who are unable to comply with the requirements due to disability-related reasons (required by CMS)	✓	✓	✓	✓

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Individuals who are physically or mentally unfit for employment	√			
Individuals who experience a hospitalization or serious illness or who reside with an immediate family member who experiences a hospitalization or serious illness		√		√
Women who are 60-days postpartum	√			√
Primary caregiver of dependent child (maximum age varies by state; some states only permit one individual per household to be exempt on this basis)	√	√	√	√
Caregiver of disabled/incapacitated individual (some states limit exemption to a dependent; some states only permit one individual per household to be exempt on this basis)	√	√	√	√
Individuals residing with an immediate family member who has a disability as defined by the ADA, Section 504, or Section 1557, who are unable to meet the requirement for reasons related to the disability of that family member		√		√
Individuals receiving unemployment benefits	√			
Individuals participating in substance use disorder (SUD) treatment or a state-certified drug court program	√	√		√
Full-time students	√	√	√	
Part-time students		√		
Individuals who are homeless		√		
Individuals who were recently incarcerated		√		
Victims of domestic violence		√		
Individuals who receive TANF benefits	√			

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Hardship or Good Cause Exemptions				
Individuals with a disability or an immediate family member with a disability as defined by the ADA, Section 504, or Section 1557, who are unable to comply with the requirements due to disability-related reasons	√	√	√	√
Individuals who experience a hospitalization or serious illness or who reside with an immediate family member who experiences a hospitalization or serious illness	√	√	√	√
Birth or death of household member	√		√	√
Severe inclement weather	√		√	√
Family emergency	√		√	√
Domestic violence	√	√	√	√
Divorce	√		√	√
Qualifying Activities				
Compliance with SNAP/TANF work requirement (required by CMS)	√	√	√	√
Paid or unpaid employment	√	√	√	√
Job search (some states limit number of hours permitted)	√	√	√	√
Job training	√	√	√	√
Vocational training	√	√	√	√
Education	√	√	√	√
Volunteering/community service	√	√	√	√
Caregiving for a non-dependent relative or other individual		√	√	√

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Participation in state workforce program	√	√		
Participation in MCO employment program		√		
Participation in tribal workforce program		√		
Homeschooling		√		
Participation in class on the health care system or healthy living	√			
Participation in SUD treatment			√	√

KEY

ADA = Americans with Disabilities Act
 CE = Community engagement
 CMS = Centers for Medicare & Medicaid Services
 FPL = Federal poverty level

MCO = Managed care organization
 Section 1557 = Section 1557 of the ACA
 Section 504 = Section 504 of the Rehabilitation Act of 1973
 SNAP = Supplemental Nutrition Assistance Program

SUD = Substance use disorder
 TANF = Temporary Assistance for Needy Families
 TMA = Transitional Medical Assistance

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ABOUT MANATT HEALTH

This brief was prepared by Patricia Boozang, Allison Orris, Mindy Lipson, and Deborah Bachrach. Manatt Health integrates legal and consulting expertise to better serve the complex needs of clients across the healthcare system.

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Endnotes

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