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The paper “State Governments and Judges May Moderate the Impact of the Trump Administration’s Promotion of Medicaid Work Requirements,” coauthored by Patrick O’Mahen and Laura Petersen, was published in the *Journal of General Internal Medicine* in September 2019. O’Mahen is a health services researcher at the Michael E. DeBakey VA Medical Center’s Center for Innovations in Quality, Effectiveness and Safety (IQuES) and an instructor of medicine at the Baylor College of Medicine. Petersen is the director of IQuES, associate chief of staff for research at the DeBakey VA Medical Center, and professor of medicine at Baylor College of Medicine.

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## HEALTH POLICY research

Rice University’s Baker Institute for Public Policy-Baylor College of Medicine  
Joint Program in Health Policy Research

### Do state-level elections constrain the power of federal officials to reform Medicaid?

“Yes. States have considerable flexibility to adopt or ignore many federal health care initiatives, especially those regarding Medicaid. Therefore, the results of state elections play a large role in determining U.S. health care policy,” says Patrick O’Mahen, Ph.D., a political scientist and health services researcher at the Michael E. DeBakey VA Medical Center’s Institute for Quality, Effectiveness and Safety (IQuES). O’Mahen recently co-authored a perspective with IQuES Director Laura Petersen, M.D., MPH, on the topic.

O’Mahen and Petersen examine the issue of Section 1115 Medicaid Waivers, in which the federal government can permit states to pursue experimental demonstration projects in their Medicaid programs that would otherwise not be permitted by federal law, as long as the state initiatives do not circumvent the underlying purpose of Medicaid. Every presidential administration generally places a unique focus on the types of demonstrations they want states to pursue.

Republicans in Congress failed to repeal the Affordable Care Act’s Medicaid expansion in 2017. However, in January 2018 the Trump administration’s Centers for Medicare and Medicaid Services announced that it was encouraging states to submit waivers imposing “community engagement” requirements that would force some classes of Medicaid recipients to document employment activities every month to remain eligible for benefits. These work requirement waivers were poised to partially reverse gains in insurance coverage brought by the ACA’s Medicaid expansion. For example, more than 17,000 individuals lost Medicaid coverage after Arkansas implemented its work requirement program.

But Medicaid waivers will only affect health policy if states use them. Because Republicans—who generally agree with their co-partisans currently in control the federal bureaucracy—held 34 of 50 state governorships and 67 of 99 state legislative chambers in 2018, work requirement waiver applications became common. By September of that year, 12 states had submitted proposals.

However, in late 2018 and 2019, Democrats gained control of eight more governorships and eight more legislative chambers, significantly reducing receptiveness to implementing Medicaid work requirements. For example, Janet Mills, Maine’s new Democratic governor, discarded the work requirement plan designed by her predecessor. On Dec. 16, newly inaugurated Kentucky Governor Andy Beshear rescinded his GOP predecessor’s plan, which was the first community engagement waiver approved by the federal Department of Health and Human Services. A new Democratic governor in Michigan has signed legislation weakening that state’s requirements, while the newly elected Democratic majorities in Virginia’s legislature appear poised to repeal legislation that tacked a requirement to submit a work requirement waiver on to that state’s Medicaid expansion.

“Ultimately, the Trump administration’s waiver strategy might simply swap congressional roadblocks for state-level ones as Democrats increase their state-level power,” O’Mahen said. “Even if courts don’t permanently block work requirements, it’s likely that they will only deepen the existing health policy divide between red states and blue states without fundamentally altering the nation’s health care landscape.”

**HEALTH POLICY** research presents a summary of findings on current health policy issues. It is provided by **Vivian Ho, Ph.D.**, James A. Baker III Institute Chair in Health Economics and director of the Center for Health and Biosciences at Rice University's Baker Institute for Public Policy, in collaboration with **Laura Petersen, M.D., MPH**, chief of the Section of Health Services Research in the Department of Medicine at Baylor College of Medicine.

This publication aims to make research results accessible to regional and national health policymakers. The views expressed herein are those of the study authors and do not necessarily represent those of the Baker Institute or of Baylor College of Medicine.

The Baker Institute and Baylor College of Medicine's Section of Health Services Research work with scholars from across Rice University and Baylor College of Medicine to address issues of health care — access, financing, organization, delivery and outcomes. Special emphasis is given to issues of health care quality and cost.

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