



Kingdom Mission Society
“Seeing Christ at Work in Others”

March 28 2019

KMS Statement on Arkansas Medicaid Work Requirements Ruling

On March 27th U.S. District Judge James E. Boasberg ruled that a special 1115 demonstration project approved for the State of Arkansas on work requirements for Medicaid by the Center for Medicare and Medicaid Services failed to meet the core objectives of Medicaid and the Secretary of Health and Human Services failed to assess whether the demonstration project would impact the population served even though substantial public comments suggested that the impact of the rule would greatly reduce the number of Medicaid recipients in Arkansas.

A few notable standouts from the ruling which can be read in [full here](#).

- Details the story of Adrian McGonigal a 40 year-old who lives with his brother in Pea Ridge, Arkansas. He used to have a job working for Southwest Poultry. In 2014 he gained coverage when Arkansas underwent Medicaid expansion. In mid 2018, McGonigal learned about the new work requirements which he would have to report online, as a condition of receiving health benefits. These were approved by Arkansas Works Amendments approved by the U.S. Secretary of Health and Human Services in March 2018. Despite his lack of access to and difficulty with computers, he was able to report employment in June 2018 but did not know he had to continue to do so each month. As a result, when he went to pick up his prescriptions in October the pharmacist told him he was no longer covered, and his medicines would cost him \$800. In the absence of Medicaid, he could not afford the cost and so did not pick them up. His health conditions worsened and he was unable to work for several days, causing him to be fired from Southwest Poultry.
- To date up to 17,000 individuals have lost coverage in Arkansas due to this rule. The ruling restores their benefits.
- The Secretary did not offer an explicit reason that work requirements would increase the aims of Medicaid which are to cover health care costs (the court has ruled) for low income persons. The Secretary did not account for the impact of the rule or offer a rationale in their official rule making capacity on why it would further the government’s interest.
- The court noted that while Kentucky has argued that Medicaid Expansion is unaffordable for Kentucky that the state of Arkansas made no such claims in its own filings.



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- The decision does not prohibit the state of Arkansas seeking to impose work requirements in the future or from collecting data on individuals as it relates to work.
- The court specifically targets HHS and CMS for their rationale in granting these waivers without accounting for plan evidence on their impacts.

Statement from KMS:

“Work requirements are often ill conceived and the state of Arkansas shows why monthly work requirements have unintended consequences to people already working, to those who are unable to access a computer, and other individuals who need significant medical attention in their times of need. The state should be looking at combating unfair business practices and the impact of high medical bills on hard working families, not trying to nickel and dime their citizens. If a state expands Medicaid it should come up with uniform and straightforward policies to ensure sufficient coverage” --- Alexei Laushkin, Executive Director, Kingdom Mission Society.