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Mississippi Medicaid Defense: Why Work Requirements Will Hurt Mississippians

- **Thousands Will Lose Coverage Due to Bureaucratic Barriers**
 - When Arkansas implemented work requirements in 2018, **18,000 eligible individuals lost coverage** due to administrative burdens, not because they were unwilling to work.
 - Georgia's Pathways program denied 56% of applicants in its first year, with 19% rejected for failing to meet reporting requirements—even though many were working or qualified for exemptions.
 - In Mississippi, where many rely on Medicaid due to low wages and economic instability, thousands risk losing healthcare over paperwork hurdles.
- **Most Medicaid Enrollees Already Work or Face Barriers to Employment**
 - Nationally, **63% of Medicaid enrollees are already employed**. Many others face barriers like disabilities, caregiving responsibilities, or lack of job opportunities.
 - **Mississippi has the highest poverty rates in the nation**. Many Medicaid enrollees work in low-wage, unpredictable, project-based employment jobs with fluctuating hours, making compliance with rigid reporting rules difficult.
- **Work Requirements Will Be Costly and Inefficient**
 - Georgia spent **\$58 million in combined state and federal funds** throughout the first year. Spending on upgrades to Georgia's online eligibility and enrollment system represents the largest proportion of total program costs. That's an estimated \$13,000 per enrollee on administrative costs, nearly five times what was spent on actual healthcare.
 - Arkansas spent **\$26 million** on implementation in 2018 that's just one year, only for work requirements to be halted by the courts in 2019.
 - Mississippi taxpayers will foot the bill for a complicated bureaucracy that takes healthcare away from those who need it most.
- **Rural Communities and Hospitals Will Suffer**
 - Work requirements lead to **higher uncompensated care costs**, increasing financial strain on rural hospitals, many of which are already struggling.
 - States that implemented work requirements, such as Michigan and Indiana, saw **uncompensated care costs increase by up to 65%**.
 - Mississippi has one of the **highest rates of rural hospital closures**, and this policy will accelerate the crisis.

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- **Mississippi's Workforce Challenges Won't Be Solved by Work Requirements**
 - **The state already has a record-low unemployment rate.**
 - Work requirements do not increase employment rates; studies show they mostly push people off Medicaid without helping them find stable jobs.
 - Mississippi would be better served by policies that improve job training, transportation, and childcare rather than punishing low-income workers with red tape.
- **Low-Income Families and People with Disabilities Will Be Disproportionately Harmed**
 - People with disabilities not yet approved for SSI, caregivers, and those in unstable work conditions will be most at risk of losing coverage.
 - In Georgia, **42% of applicants who showed interest in Medicaid coverage were immediately disqualified** due to comprehensive paperwork difficulties.
 - Mississippi's high poverty rate means that **work requirements will hit the most vulnerable the hardest**, leaving many without access to critical medical care.
- **Lessons from Other States: Work Requirements Don't Work**
 - **Arkansas:** 95% of enrollees subject to work requirements were already meeting them or should have been exempt, yet thousands lost coverage.
 - **Georgia:** After one year, only **4,231 people enrolled—just 17% of the projected first-year total**—due to complex reporting rules and unnecessary restrictions.
 - Mississippi risks repeating these failures, creating a costly program that hurts families instead of helping them.

Potential Implications for Mississippi

Implementing similar work requirements in Mississippi could lead to comparable challenges:

- **Coverage Losses Due to Administrative Hurdles:** Not everyone works a 9-5 job schedule. Mississippi's Medicaid program has an enrollment of 707,000 individuals as of February 2025. Work requirements have become a popular yet misunderstood topic. Work requirements introduce confusing bureaucratic hurdles managed by technology that doesn't understand ever changing work schedules; this leads to erroneous disenrollments. Introducing work requirements could result in significant coverage losses, particularly among those unable to meet stringent reporting obligations.

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- **Economic Strain on Healthcare Infrastructure:** Imposing work requirements on Medicaid in Mississippi would place a significant financial strain on the state's healthcare system, particularly its hospitals. Mississippi hospitals rely more on Medicaid funding than private insurance, meaning coverage losses would increase uncompensated care costs, pushing many facilities—especially rural hospitals—closer to financial crisis.
- **Mississippi receives the highest federal Medicaid match rate at 77%**, meaning that work requirements would not only reduce healthcare access but also cause the state to forfeit crucial federal funding, harming not only patients but hospital funding and the state's economy.
- **Impact on Employment Without Addressing Root Causes:** Mississippi's unemployment rate and economic conditions differ from other states. Implementing work requirements without addressing underlying employment barriers—such as job availability, transportation, and childcare—may not lead to increased employment and could instead result in loss of healthcare coverage.

Bottom Line: Work Requirements Are a Costly, Bureaucratic Barrier That Will Harm Mississippi's Most Vulnerable

The Kentucky General Assembly's Recent Advancement of Medicaid Work Requirements

Recent developments in **Kentucky** underscore the potential pitfalls of implementing Medicaid work requirements—a path Mississippi should carefully reconsider.

- In March 2025, Kentucky lawmakers passed House Bill 695, introducing mandatory work requirements for Medicaid recipients. This legislation mandates that able-bodied adults without dependents must work at least 20 hours per week and provide proof to maintain their healthcare coverage.
- Critics argue that such policies disproportionately affect vulnerable populations, including individuals with mental health or substance use disorders.
- Historically, when Kentucky attempted similar measures, it was estimated that up to 95,000 people could have lost their health insurance.



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Need for Transparency Based on Kentucky Tactics

Kentucky's House Bill 695, introduced significant changes to the state's Medicaid program, including the implementation of work requirements for able-bodied adults. This legislation was expedited during the final hours before the legislature's recess, a period strategically chosen to render it veto-proof. Such timing effectively curtailed comprehensive debate and limited public scrutiny, raising concerns about the transparency and inclusivity of the legislative process.

Critics argue that this eleventh-hour maneuvering was deliberately designed to minimize constituent input, suggesting that policymakers were aware of potential public opposition. By fast-tracking the bill, lawmakers avoided extended discourse and the possibility of mobilized resistance from affected communities. This approach has been labeled as secretive and disrespectful to the Medicaid population and the broader constituency, undermining the democratic principles of openness and accountability.

The lack of transparency in enacting such impactful legislation sets a concerning precedent. Implementing work requirements without ample public engagement and consideration can lead to unintended consequences, such as high coverage losses among vulnerable populations and increased administrative burdens. Health advocates have urged lawmakers to reconsider these changes, emphasizing the need for policies that prioritize accessible healthcare without imposing additional barriers.

Mississippi stands at a crossroads regarding Medicaid policy.

The state's recent deliberations on Medicaid expansion have highlighted divisions over incorporating work requirements. In 2024, discussions were tabled due to disagreements on this issue, reflecting the contentious nature of such mandates.

To uphold the integrity of its legislative process and ensure the well-being of its residents, **Mississippi must prioritize transparency and public participation in policymaking.** Adopting secretive tactics like those employed in Kentucky risks eroding public trust and may lead to policies that do not reflect the needs or desires of constituents. Engaging in open dialogue, thoroughly evaluating potential impacts, and considering the voices of all stakeholders are essential steps in crafting equitable and effective healthcare policies.



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CONCLUSION

Past examples from states like Arkansas and Georgia and more recent examples from Kentucky have shown that work requirements lead to significant coverage losses, increased administrative costs, barriers for vulnerable populations and potential transparency issues.

Mississippi, with its high poverty rate and struggling rural hospitals, cannot afford to take this risk. Instead of wasting resources on a failed policy, Mississippi should focus on strengthening rural healthcare and creating real job opportunities that lift people out of poverty—without taking away their healthcare in the process.