

# Costly and complex work reporting requirements create barriers to healthcare



Minnesotans value work, including Minnesotans who receive their health care through Medicaid (Medical Assistance in Minnesota). Most non-disabled Minnesota adults on Medical Assistance\* are already working: **73 percent live in families with an adult who has a full-time job, and more than 65 percent work themselves.**<sup>1</sup>

Adding barriers to seeing a doctor, receiving treatment or getting a prescription is not the path forward, nor does it reflect Minnesota values. The primary outcome of new barriers to Medical Assistance in HF3722/SF3219 **will be fewer Minnesotans with health care.**

## Barriers to Medical Assistance are costly.

- **Hospitals and providers will return to the challenges of increased emergency room use and uncompensated care.** Rural Minnesotans losing health care will result in a greater burden on rural health systems for uncompensated care.
- **Minnesotans will have worse health outcomes and will be more costly to treat.** Without regular, consistent health care, conditions that can be treatable when caught early, such as cancer, diabetes and heart disease, are often diagnosed at a late stage.
- **Significantly increased costs to county governments for paperwork and reporting** may result in increased property taxes or reductions in other county services.

## Barriers to Medical Assistance are complex and bureaucratic.

- **Minnesota counties, providers, insurers, and employers will all share in the challenges of managing this new process.** Additional staff and software will be needed to verify employment and exemption status, and to ensure the right people are paying for the right care at the right time.
- **Adding a work requirement will result in litigation and uncertainty,** as seen in other states. Plaintiffs have a strong argument that work requirements are not legal under Medicaid.

## Barriers to Medical Assistance have unintended consequences for Minnesotans.

- **Minnesotans who receive health care through Medicaid often have significant obstacles to employment that are not erased by taking away their health care,** including lack of access to education, jobs with stable hours, affordable child care and transportation.
- **People who have disabilities, mental illness, or substance use disorders face serious hurdles to qualifying for an exception.** The American Community Survey found that 35% of adults without dependents have health conditions that hinder their ability to work, but do not qualify them for federal Supplemental Security Income<sup>2</sup>.
- **People with undiagnosed mental health or other conditions will be forced to declare themselves permanently disabled to access more expensive care through the disability door to Medical Assistance.** Covering Minnesotans through the non-disability door to Medical Assistance is cheaper than covering under disability coverage.
- **People who do everything right may still see their coverage terminated due to administrative errors, or inconsistent hours, beginning a spiral of missed care and missed work.**

We oppose HF3722/SF3219, a proposal that will cause a loss in health coverage for Minnesotans who need Medical Assistance. Medicaid requirements are **costly, complex, bureaucratic, and will have unintended consequences** for state and local government, health care providers, and Minnesotans receiving coverage from Medical Assistance in all corners of the state.

*“This is Medicaid” is a coalition of nonprofit organizations from across Minnesota that work to protect Medicaid from harmful changes and funding cuts. The nonpartisan organizations advocate for or directly serve people who access health care and supports through Medicaid.*

### **TIM Principles**

We oppose proposals that cause a loss in health coverage or benefits for any of the more than 1 million Minnesotans who receive Medicaid.

Families, children, older adults, people with disabilities, people living with mental illnesses, and adults in poverty should receive the treatment, medications, services, and preventative care they need. We need to protect Medicaid to put our life and health first.

When people with disabilities, older adults, children, and low-wage workers are able to access the health care and services they need, they can reach their potential and fully contribute to their communities. This keeps our communities successful and thriving.

Medicaid reflects American values for how we care for one another, and should be preserved as a pillar of America’s system of care, now and in the future.

**This is Medicaid supporting organizations:** *Allina Health, American Heart Association, Amherst H. Wilder Foundation, AspireMN, ARRM, Catholic Charities of St. Paul and Minneapolis, Catholic Health Association of Minnesota, Children’s Defense Fund – Minnesota, Children’s Minnesota, Clare Housing, Gillette Children’s Specialty Healthcare, Hammer Residences, Inc., Hennepin County Medical Center, Jewish Community Relations Council of Minnesota and the Dakotas, Legal Services Advocacy Project, Living Well Disability Services, Lutheran Social Service of Minnesota, Minnesota AIDS Project, Minnesota Association of Community Health Centers, Minnesota Association of Community Mental Health Programs, Minnesota Brain Injury Alliance, Minnesota Budget Project, Minnesota Council of Nonprofits, Minnesota Family and Advocate Coalition, Minnesota Coalition for the Homeless, Minnesota Health Care Safety Net Coalition, Minnesota Organization on Fetal Alcohol Syndrome, Minnesota Social Service Association, NAMI Minnesota, People Serving People, Portico Healthnet, Rare Action Network, St. David’s Center for Child & Family Development, The Arc Minnesota, The Leukemia & Lymphoma Society, The Minnesota Consortium for Citizens with Disabilities, and Volunteers of America of Minnesota and Wisconsin.*

*\*Single adults without dependents who access Medical Assistance have a maximum income of \$16,642 per year (138% of the Federal Poverty Level).*

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<sup>1</sup> Garfield, Rachel, et al. "Understanding the Intersection of Medicaid and Work." The Henry J. Kaiser Family Foundation, Jan. 2018. [files.kff.org/attachment/ Issue-Brief-Understanding-the-Intersection-of-Medicaid-and-Work](https://files.kff.org/attachment/Issue-Brief-Understanding-the-Intersection-of-Medicaid-and-Work). Accessed Mar. 2018

<sup>2</sup> *Ibid.*