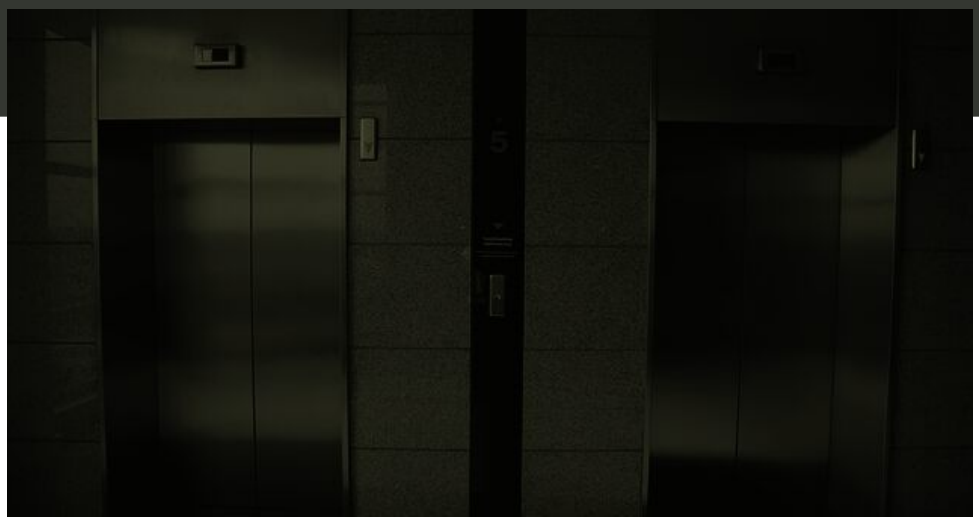
NONPROFITS: LEGISLATION

Opposing the Medicaid Work Requirement: An Elevator Pitch

05.23.25 | Linda J. Rosenthal, JD



"The House has now passed what must surely be the worst piece of legislation in modern U.S. history," wrote Dr. Paul Krugman, Nobel-Prize-winning economist, this morning. This "Budget of Abominations" is "… surpassingly cruel, utterly irresponsible…."

In the past few weeks, many Americans watched nervously as the "One Big Beautiful Bill" took shape behind mostly closed-door negotiations within the GOP caucus. There have been numerous items under consideration that are "directly harmful" to nonprofit organizations or to the communities they serve, See *Call To Action for Nonprofits Re: Tax Bill Markup Today* (May 13, 2025) *FPLG Blog* and *Medicaid Work Requirement: The Latest Developments* (May 20, 2025) *FPLG Blog.*

Among them are the drastic cuts to Medicaid as well as the resurrection of the controversial (and previously tried and rejected) work-eligibility requirement. See: *Mandatory Volunteerism*, NCN. "Mandatory volunteerism is a mandate on an individual to volunteer, sometimes called 'community engagement' or 'community service,' with a nonprofit for a specific number of hours per week in order to be eligible for certain government-provided benefits."

While NCN "… supports programs that promote volunteering activities that mutually benefit individuals and the people served through nonprofits," the nation's largest membership organization of nonprofits "… opposes proposals to condition receipt of government-provided benefits on requirements that individuals volunteer at nonprofit organizations …." The main reason: it imposes "increased costs, burdens, and liabilities on nonprofits by an influx of coerced individuals."

The full House voted early on May 22, 2025, passing the bill with the slimmest possible margin of victory: 215-214-1.

What's Ahead

"The House of Representatives cut funding for Medicaid, which could result in at least 13.7 million people losing access to health insurance, according to the Congressional Budget Office (CBO)." See Major Tax Package Heads to the Senate. Call TODAY to Protect Nonprofits! (May 22, 2023), National Council of Nonprofits et al.

An additional twist has just been mentioned in the latest Congressional Budget Office report: The slashes to the Medicaid program are so large that they trigger automatic cuts in Medicare through a budget rule called "sequestration."

Also kept intact in the Medicaid-related provisions in the One Big Beautiful Bill is the eligibility hurdle for "able-bodied adults" under age 50 of 80 hours a month of "work, education, or volunteer activities." But this "work or work-equivalent requirement" has been moved up: The start date is no longer January 1, 2029. It is now January 1, 2026.

Elevator Pitch

As we've seen on news broadcasts since the beginning of the year, most members of Congress from the GOP (majority) team have been reluctant to – shall we say – engage with constituents.

At best, you may be able to snag a minute or so of their attention … in a hallway, or an elevator perhaps. Maybe you'll be able to get through to their main or district offices and talk to a human.

In *5 Key Facts About Medicaid Work Requirements* (February 18, 2025) *Medicaid Watch*, *kff.org*, experts Elizabeth Hinton and Robin Rudowitz provide the basics for an "elevator pitch" to members of Congress. The thrust of these five points is that adding a work requirement is posturing: it's a "solution looking for a problem":

- "Most Medicaid adults under age 65 are working already, without a 'work requirement.'"
- "CBO estimates of national work requirements show lower federal spending and an increase in the number of uninsured, but no increase in employment."
- In Arkansas, implementing Medicaid work requirements resulted in more than 18,000 people losing coverage….[D]isenrollment was also associated with poorer medication adherence, delays in care, and medical debt."
- "Evidence shows Medicaid work and reporting requirements are confusing to enrollees and complex and costly for states to implement."
- "Research shows access to affordable health insurance and care promotes individuals' ability to obtain and maintain employment."

Conclusion

Note that this first "elevator pitch" script focuses on showing that the work requirement is not just unneeded, but it is counterproductive, based on the results from the first Trump Administration's failed attempts to approve and implement "waivers" to the Affordable Care Act's Medicaid expansion

provisions.

For a real-time look back at those efforts, see all four of our earlier posts on the "mandatory volunteerism" topic:

- *Mandatory Volunteerism: A Bad Idea All Around* (March 15, 2018)
- *New Medicaid Work/Volunteer Court Ruling* (April 10, 2019)
- *Adios to Mandatory Volunteerism* (August 12, 2021)
- *Mandatory Volunteerism: Still, A Bad Idea* (May 11, 2023)

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