

TESTIMONY ON SENATE BILL 25

Ohio General Assembly

Senate Health and Human Services and Medicaid Committee

Wednesday, March 20, 2019

Nick Adolphsen

Visiting Fellow

Opportunity Solutions Project

Good afternoon Chairman Burke, Vice-Chairman Huffman, and members of the Senate Health and Human Services and Medicaid Committee. I am Nick Adolphsen, and I am a research fellow at the Opportunity Solutions Project, a non-profit, non-partisan advocacy organization. I am here today to speak in support of SB 25.

There is a dependency crisis across the country and here in Ohio. In fact, since 2000, the number of able-bodied adults dependent on Medicaid in America has quadrupled. Right here in Ohio, nearly 725,000 able-bodied adults have been added to the program in just the last few years. The cost is not all paid by the federal government either—Ohio Medicaid spending has doubled in the last decade.

The enrollment and spending growth are big issues, but even worse is that most able-bodied adults on Medicaid aren’t working. In fact, more than half don’t work at all. To your credit, Ohio has taken positive steps as one of the first states to pursue work requirements in Medicaid. I want to take the opportunity to congratulate you on the federal approval of your waiver just last week. It is a significant milestone and sets Ohio’s Medicaid program on a path to begin helping people get back to work.

But more can be done. Ohio’s approved waiver is a good start, but you have a great opportunity for improvement. Unfortunately, more than half of the able-bodied adults on Ohio’s Medicaid program will not be included in the work requirement. The approved waiver captures the population of able-bodied adults without dependents but ignores the large and growing population of able-bodied parents who are also on the program, including the tens of thousands added through Medicaid expansion.

This is not in line with the language this legislature passed in 2017, in HB 49, that called for a work requirement for able-bodied adults on the Medicaid program, especially those added as a result of Medicaid expansion.

SB 25 addresses this misalignment and builds on the success of Ohio’s waiver in a few key ways. First, the waiver exempts adults 50 years of age or older. The bill increases that threshold to age 65. Second, it clarifies language to ensure the work requirement is mandatory for all able-bodied adult populations in the program, with exemptions for parents with young children, those with certified a medical issue, and a few others.

These changes are critical. Every dollar spent on able-bodied adults is a dollar that can’t go to services for seniors, poor children, or individuals with disabilities. It’s money that can’t go to schools, infrastructure, or public safety.

Comprehensive work requirements will also lift up those able-bodied adults who are trapped on welfare and are not working.

When I worked for former Governor Paul LePage in my home state of Maine, we restored work requirements in welfare and enrollment dropped by 90 percent. Incomes of those leaving the program more than doubled in just one year.

In Arkansas, enrollment dropped by 70 percent and incomes more than tripled two years after enrollees left welfare. And in Florida, a new study found that able-bodied adults on food stamps went back to work in over 1,000 different industries after work requirements were reinstated, reducing enrollment by 94 percent.

Ohio knows the power of work, which is why you were an early adopter of Medicaid work requirements. To build on this success, you can strengthen the work requirement to make sure all adults on Medicaid have the opportunity to move back into the workforce. This is critical for their lives and for the example they set for their kids and the next generation.

Ohio voters overwhelmingly support this reform. A recent poll shows that nearly 70 percent of voters in Ohio—across all political views—support work requirements.

The reforms included in SB 25 are win-win. They will help those trapped in dependency get back into the workforce. They will protect taxpayers from out-of-control spending, freeing up funds for other critical priorities. And they will preserve limited resources for your most vulnerable citizens.

Thank you for the opportunity to testify today, I’m happy to answer any questions.