

# Medicaid Work Requirements: Key Implementation Questions for State Agencies



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State Medicaid agencies are currently preparing to implement the new [Medicaid work requirements](#) (also known as community engagement requirements) that will go into effect for most states in January 2027. Those subject to the work requirement includes adults in the 40 states and Washington, D.C. that expanded Medicaid, but non-expansion states such as Wisconsin and Georgia also cover people subject to the work requirement. State agencies have a considerable amount of work, along with many important decisions, ahead of them. The new work requirement for both applicants and enrollees will inevitably cause harm and [lead eligible people to lose coverage](#), but state policy and implementation choices can help mitigate coverage losses.<sup>1</sup>

Advocates have a critical role to play in work requirement implementation by assessing their state’s readiness and choices around key policy and implementation approaches. Advocates can take initial steps towards understanding how their state plans to implement the work requirement by asking key questions around various components of work requirement implementation. Advocates can also help their state mitigate harm by sharing ideas for effective implementation, highlighting best practices, and offering to assist with aspects of implementation, like outreach.

\* Indicates most critical questions that advocates should prioritize asking if time/opportunity is limited.

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I.	<a href="#">Compliance/Exemption Timeframes and Frequency</a>
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XII.	<a href="#">Communications</a>

<sup>1</sup> Jennifer Wagner, Symonne Singleton and Maani Stewart, “A Guide to Reducing Coverage Losses Through Effective Implementation of Medicaid’s New Work Requirement”, CBPP, November 3, 2025, <https://www.cbpp.org/research/health/a-guide-to-reducing-coverage-losses-through-effective-implementation-of-medicaids>.

Category/Topic Area	Key Questions
<p><b>Compliance/Exemption Timeframes and Frequency</b></p>	<p>* How many months of compliance/exemption will you require prior to application?</p> <ul style="list-style-type: none"> <li>• States can choose one, two, or three months of compliance/exemption prior to the month of application.</li> <li>• <i>Advocate for one month.</i></li> </ul> <p>* How often will you verify compliance/exemption (only at renewal or more frequently)? If more frequently, how often?</p> <ul style="list-style-type: none"> <li>• States can verify compliance/exemption as often as monthly or only at renewal.</li> <li>• <i>Advocate for only at renewal.</i></li> </ul> <p>At renewal, will you require enrollees to have been compliant/exempt for only one month since the last application/renewal, or more?</p> <ul style="list-style-type: none"> <li>• <i>Advocate for one month.</i></li> </ul>
<p><b>Work Requirement Compliance</b></p> <p>Those subject to the work requirement (i.e., not exempt) must prove that they are compliant with the requirement at application and at renewal, and potentially more frequently. Compliance includes 80 hours of work or a countable activity (community service, participation in a work program, enrollment in an educational program), enrollment in an education program at least half-time, or income of \$580 or more (80 hours times the federal minimum wage).</p>	<p>What types of income will you be counting toward the \$580/month requirement?</p> <ul style="list-style-type: none"> <li>• <i>Confirm that data about a wide variety of income sources is included in state systems and processes such as unemployment insurance benefits, child support, etc.</i></li> </ul> <p>What data sources are you considering for verifying compliance?</p> <ul style="list-style-type: none"> <li>• What data sources are you using to verify work program hours?</li> <li>• Volunteer hours?</li> <li>• Enrollment in an education program?</li> <li>• <i>States can and should utilize data sources to verify compliance that they likely have not needed to use before, such as work program data to verify enrollment in a work program and college/university enrollment data to verify student status.</i></li> </ul>

	<p>Are you considering implementing consent-based verification (CBV) as part of your compliance verification process?<sup>2</sup></p> <ul style="list-style-type: none"> <li>• <i>States should implement CBV through products such as <a href="#">Steady</a> or <a href="#">Truv</a>, or the federal <a href="#">income verification service</a>.</i></li> </ul> <p>What does your current income verification “waterfall” look like and how might it change through work requirement implementation?</p> <ul style="list-style-type: none"> <li>• <i>To minimize costs, states should consider a “waterfall” approach: states would first attempt to verify income through lower-cost sources, only check more expensive data sources if necessary, and only request documents from individuals as a last resort.</i></li> </ul>
<p><b>Exemptions</b></p> <p>There are both mandatory exemptions that all states must include, and optional exemptions that states can choose to use.</p> <p>Examples of mandatory exemptions: parents of children under 14, medically frail, AI/AN status, veteran, blind/disabled, compliant with TANF work requirement, in a household receiving SNAP and not exempt from SNAP work requirement</p> <p>Optional exemptions: receiving inpatient hospital services, individual or dependent having to travel for treatment, residing in county due to emergency or disaster declaration or high unemployment</p>	<p>* Will you accept an individual’s statement on an application or renewal form that they meet an exemption (i.e., self-attestation) as permitted by law?</p> <ul style="list-style-type: none"> <li>• HR 1 specifies that a state “may elect to not require an individual to verify information” regarding qualifying for any mandatory exemption from the work requirement.</li> <li>• <i>States should start by accepting an individual’s statement (made on an application, renewal, or other form) about exemptions wherever possible.</i></li> </ul> <p>Do you plan to adopt optional exemptions for short-term hardships?</p> <ul style="list-style-type: none"> <li>• <i>States can and should adopt exemptions for hardships including counties with emergency or disaster declaration, or with unemployment above 8% or 1.5 times the national unemployment rate, for those suffering acute medical events or on extended travel to treat serious or complex medical conditions.</i></li> </ul>

<sup>2</sup> Through CBV, an applicant or enrollee connects to a payroll provider, digital wallet, or bank account to generate an income report that can be sent to the Medicaid agency. This process, which essentially replaces the process through which an applicant scans in and then uploads a paper pay stub or other income documentation, is more streamlined and accurate and produces a reliable, easy-to-process report for eligibility workers.

	<p>If a county qualifies for an exemption based on disaster/emergency/high unemployment, will you automatically exempt everyone in that county?</p> <p>Are there exemptions you will mark as permanent?</p> <ul style="list-style-type: none"> <li>• Some exemptions are not subject to change and <i>states should not need to re-verify them</i> (i.e., blind, AI/AN status).</li> </ul> <p>How often will you re-verify exemptions (ask by exemption type)?</p> <ul style="list-style-type: none"> <li>• <i>States should consider the cyclical nature of exemptions</i> such as substance use disorders or mental illnesses and should not over-verify exemptions.</li> </ul> <p>Do you currently have a medical frailty definition?</p> <ul style="list-style-type: none"> <li>• If so, do you plan on making any changes to your definition?</li> <li>• If not, how will you define medical frailty as an exemption?</li> <li>• What data sources will you use to determine medical frailty?</li> </ul> <p>What data sources will you use to automatically identify exemptions?</p> <ul style="list-style-type: none"> <li>• Will you connect to other Veteran databases?</li> <li>• Will you utilize data from SNAP/TANF?</li> </ul>
<p><b>Agency Processes and Capacity</b></p>	<p>* What are your greatest concerns about implementing the provisions of H.R.1?</p> <p>* How are you thinking about increasing your current workforce capacity given the increased workload ahead?</p> <p>What is your process for revising application and renewal forms? What about the online application and renewal flows?</p> <p>Have you set timelines to get your systems updated for the upcoming change?</p>

<p><b>Good Faith Delay</b></p>	<p>* Will you consider asking CMS for a good faith exemption to delay implementation if systems or staffing are not ready to launch work requirements in January 2027?</p> <ul style="list-style-type: none"> <li>• HR 1 allows a state to request a good-faith exemption to delay implementation of the work requirement for up to two years. The Secretary of Health and Human Services may grant such an exemption if the state can demonstrate it is making efforts to implement the provision but faces significant barriers that prevent it from meeting the implementation deadline in the law.</li> </ul>
<p><b>Data</b></p>	<p>* Have you done any analysis on your existing caseload to estimate how many people would already be exempt or compliant based on information you already have?</p> <p>* Will you commit to publicly reporting data on application and renewal outcomes?</p>
<p><b>Operations and Technology</b></p>	<p>* Do you plan on enlisting new vendors to create products for Medicaid work requirement implementation? Are existing vendors you work with planning to offer products for this purpose?</p> <p>How do you plan on integrating work requirements into your system's current eligibility system?</p> <ul style="list-style-type: none"> <li>• What will the process be like for someone applying online for the first time?</li> <li>• What will the process be like for someone looking to verify their compliance at renewal (or more frequently if the state chooses to)?</li> </ul> <p>Are you making the changes to the online application and renewal experience <a href="#">mobile-first</a>? Will any new components that are added to the application/renewal process be mobile-first?</p>

	<p>What changes are you making to your document submission process to accommodate the new types of information that applicants and enrollees may need to submit to verify compliance or exemptions?</p>
<p><b>User Testing</b></p>	<p>Will you pilot your new system once it's created prior to launch? What does your pilot plan look like?</p> <p>How do you plan on incorporating user feedback into your application and renewal revisions?</p> <p>How are you working with experts and/or external partners in the civic tech sector to ensure <a href="#">human-centered design</a> in your materials?</p>
<p><b>Interactions with SNAP</b></p>	<p>For states with integrated systems and/or workers for SNAP and Medicaid, how will the <a href="#">changes in SNAP</a> affect what resources the agency has available for Medicaid work requirement implementation?</p> <ul style="list-style-type: none"> <li>• How will the federal government's shift of SNAP costs to states affect [Medicaid program administration, case worker support, etc.]?</li> </ul> <p>How do you plan to operationalize the SNAP exemption?</p> <ul style="list-style-type: none"> <li>• Living in a household receiving SNAP and not being exempt from the SNAP work requirement makes you exempt from the Medicaid work requirement.</li> </ul> <p>How are you thinking about opportunities around data sharing between Medicaid and SNAP for work requirement compliance or exemptions, such as medical frailty/unfit for work?</p>
<p><b>Interaction with Managed Care Organizations</b></p>	<p>How do you envision <a href="#">working with managed care organizations</a> (MCOs) during this transition?</p> <ul style="list-style-type: none"> <li>• While MCOs cannot determine eligibility, <i>state agencies can and should work closely with MCOs</i> to assist in outreach and education efforts, along with data sharing for certain medical exemptions.</li> </ul>

	<p>How will MCOs support data sharing for medical exemptions?</p> <p>How will MCOs play a role in assisting enrollees in maintaining compliance with the work requirement?</p> <p>What will you require from MCOs to be prepared to communicate with their enrollees about the upcoming changes?</p>
<p><b>Interaction with Marketplace</b></p>	<p>If your state runs its own marketplace (also known as a state-based marketplace):</p> <ul style="list-style-type: none"> <li>● What information can be determined about a person’s compliance or exemption status before the marketplace transfers the application to the Medicaid agency?</li> <li>● Will the marketplace make changes to its application to more precisely assess work requirement compliance/exemptions?</li> </ul> <p>If your state accepts Medicaid determinations from HealthCare.gov, how will the state minimize the number of people transferred from HealthCare.gov who are required to submit additional information to prove work requirement compliance/exemption?</p> <ul style="list-style-type: none"> <li>● For example, the state may be able to deem someone compliant without additional checks if they have income of \$580 a month or higher, or deem someone exempt if they are a parent of a child under 14.</li> </ul>
<p><b>Communications</b></p>	<p>What changes do you plan on making to your existing communications?</p> <p>Will you employ similar <a href="#">communication strategies</a> as you did during the <a href="#">Medicaid unwinding</a>?</p> <p>How do you plan on communicating with enrollees to update them about these upcoming changes? Which modalities of communication will you use to do so?</p> <p>What plans do you have for translating communication materials?</p>

	<p>What outreach and assistance do you plan on providing to support people in reporting CE requirement compliance or exemptions?</p> <p>Do you plan to partner with community-based organizations, health plans, providers or other health care stakeholders on a communications strategy?</p>
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If you'd like to follow up or have questions, please feel free to contact Farah Erzouki at [ferzouki@cbpp.org](mailto:ferzouki@cbpp.org).