

WORK AND WELLNESS:

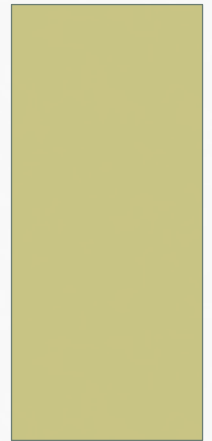
PROMOTING PUBLIC HEALTH BY INCENTIVIZING WORK

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WORK AND WELLNESS

- Unemployment, in of itself, causes negative physical and mental health effects.^{1,2}
 - Employment does not inherently improve health, but it does prevent the negative health effects of unemployment.
 - Re-employment improves individual health enough to offset the negative effects of recent unemployment.
- Specifically, unemployment increases the risk of³:
 - Accidents
 - Suicide
 - Alcohol-related deaths
 - Deaths associated with cardiovascular disease

WORK AND WELLNESS (CONT)

- The relationship between unemployment and health risks is not solely because people who are ill are often unemployed.
 - Individuals experiencing job-loss for non-health reasons show declining physical health and increased levels of depression.⁴
 - A UK study found that among unemployed young men, unemployment preceded increases in depression and anxiety even among those who showed no previous psychological vulnerability.⁵

WORK AND WELLNESS (CONT)

- Unemployment early in life can endure into later adulthood.
 - Young people who leave school at 16 and experience unemployment display poorer mental health and higher smoking rates than their peers who left school at 16 and found employment, even 14 years later.⁶
 - Unemployment among young people can predict their need to take extended sick leave or to receive disability assistance later in life.⁷
 - Men experience higher levels of obesity, illness, and mortality later in life if unemployed while young. The same effect was not seen in women.

WORK AND WELLNESS (CONT)

- Unemployment negatively effects people who are already ill.
 - The stress from unemployment results in worse health outcomes for patients undergoing cardiac rehabilitation.⁸ People who already took medication for psychosomatic symptoms increased their prescriptions after involuntary job loss.⁹
- Employment can have positive implications for people who are aging
 - Men who work in occupations during adulthood that are intellectually or socially engaging demonstrate higher cognitive function later in life, regardless of previous education or intelligence.¹⁰

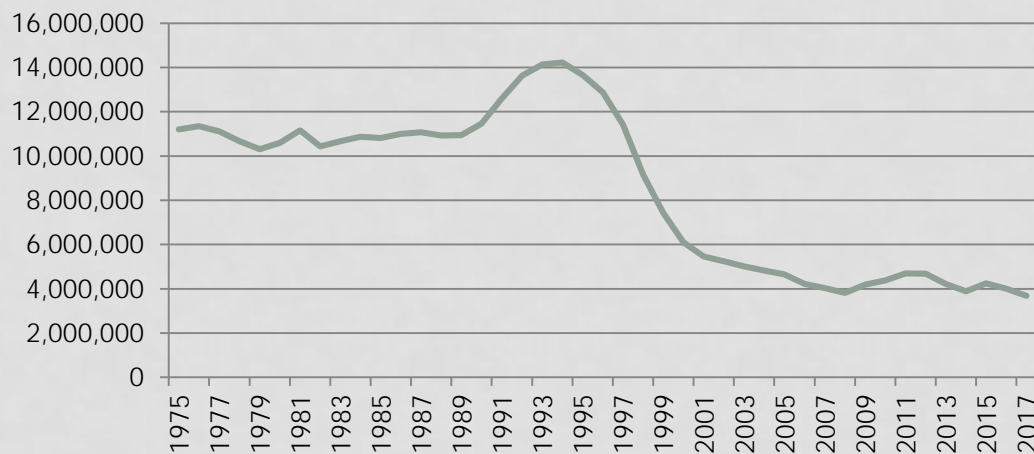
POLICY GOALS

1. Transition individuals from needing welfare to obtaining employment in both the short- and long-term.
2. Improve the wellbeing and health of individuals currently in need of welfare by transitioning them to employment.
3. Provide exemptions for those incapable of work due to medical frailty, age, or other significant obstacles towards employment.
4. Ensure that the administrative and bureaucratic burden for compliance with work requirements is straightforward to avoid individuals losing benefits due to red tape.
5. Account for local socioeconomic factors that may present barriers to employment such as the urban/rural divide and labor market differences.

HISTORY OF WELFARE REFORM

- Personal Responsibility and Work Opportunity Act of 1996
 - PWORA replaced AFDC with TANF, which has a time limit of 60 months and requires work activities to maintain eligibility
- Isolating the causal effect of work requirements on caseload is difficult, but research and employment trends indicate they play a significant role.¹¹

AFDC/TANF Recipients, 1975-2017



HISTORY OF WELFARE REFORM (CONT.)

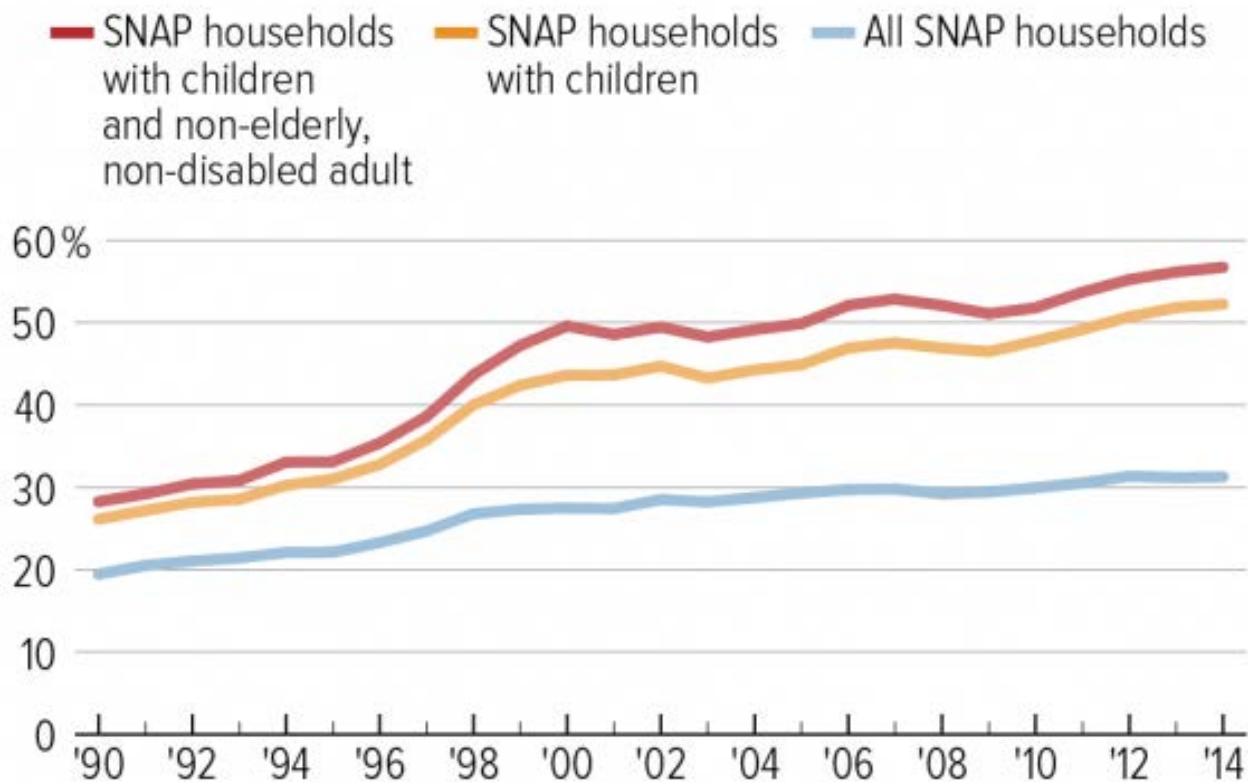
- “Leaver studies” contemporary with reforms:
 - Leavers w/ HS Diploma or GED employed 78% of the time, and w/o diploma or GED, 61% of the time.¹²
 - 60% of leavers who found employment found full-time jobs.¹³
- Employment and mean earnings rose for single mothers between 1993 and 1999.
 - Research shows that mandatory work-related activities resulted in higher employment and yearly earnings for single mothers.¹⁴
 - However, evidence of the increased earnings being sufficient enough to raise welfare recipients out of poverty is mixed.¹⁵
 - Most single mothers continued to receive Medicaid or other forms of public assistance after finding employment.

HISTORY OF WELFARE REFORM (CONT)

- SNAP (food stamps) has required work activities since 1971, but PWORA changed these requirements.
 - Able Bodied Adults Without Dependents (ABAWDs) must work, unless exempt, to receive SNAP for longer than three months.
- Americans turned to SNAP during the recession, with a peak 51 million participants in 2013, nationally.
- SNAP work rates have increased steadily since PWORA.¹⁶
 - Especially among households with children and non-elderly, non-disabled adults.
 - Many families using SNAP are capable of work and do work.
 - Either work is incentivized by SNAP work requirements, or at minimum they have mitigated disincentives to work.

SNAP Work Rates Have Risen, Especially Among Households With Children and Adults Who Could Be Expected to Work

Share of households with earnings



Source: CBPP tabulations of USDA household characteristics data

OTHER STATES

- Three states have been approved by US Health and Human Services (HHS) to implement work requirements for Medicaid:
 - Arkansas
 - Indiana
 - New Hampshire
- Kentucky also received approval, but it was struck down in federal court.
 - Ruled the HHS did not consider how it would impact the health of people who lost Medicaid.
- Six other states have submitted waiver applications but have yet to receive approval.

MOVING FORWARD IN MISSOURI

- The Centers for Medicare & Medicaid Services (CMS) has directed that Medicaid work requirements should match TANF and SNAP requirements
 - Populations exempt from work requirements should remain exempt (i.e. people with disabilities, pregnant women, etc.)
 - If someone already satisfies work requirements for TANF or SNAP they automatically satisfy Medicaid requirements.
 - Missouri would likely utilize the same methods and requirements for Medicaid that already exist for SNAP.
 - This should reduce bureaucratic duplication and make the policies easier to comply with for recipients.

QUESTIONS?

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