

State Medicaid Work Requirement & Community Engagement Toolkit

A Step-by-Step Guide for Design, Implementation, and Evaluation

April 30, 2025

Agenda

Program Design

- Key Considerations & Leading Practices

Program Implementation

- Key Considerations & Leading Practices
- WorkComply Demo

Monitoring & Evaluation

- Key Considerations & Leading Practices

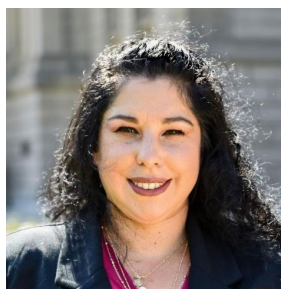


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Work Requirements Overview

01 Guidance Published

In January 2018, the Centers for Medicare and Medicaid Services (CMS) published guidance permitting states to implement work and community engagement requirements that certain Medicaid beneficiaries must satisfy to continue receiving Medicaid benefits.

02 State Activity

22 states sought CMS approval of Section 1115 Demonstration Waivers to require non-elderly, non-pregnant, and non-disabled individuals to meet work and community engagement requirements to continue qualifying for the Medicaid program.

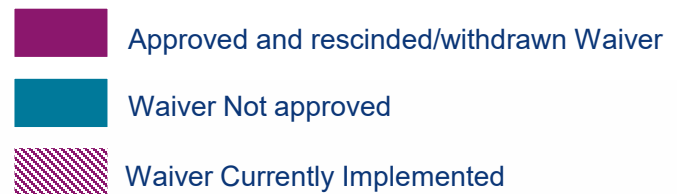
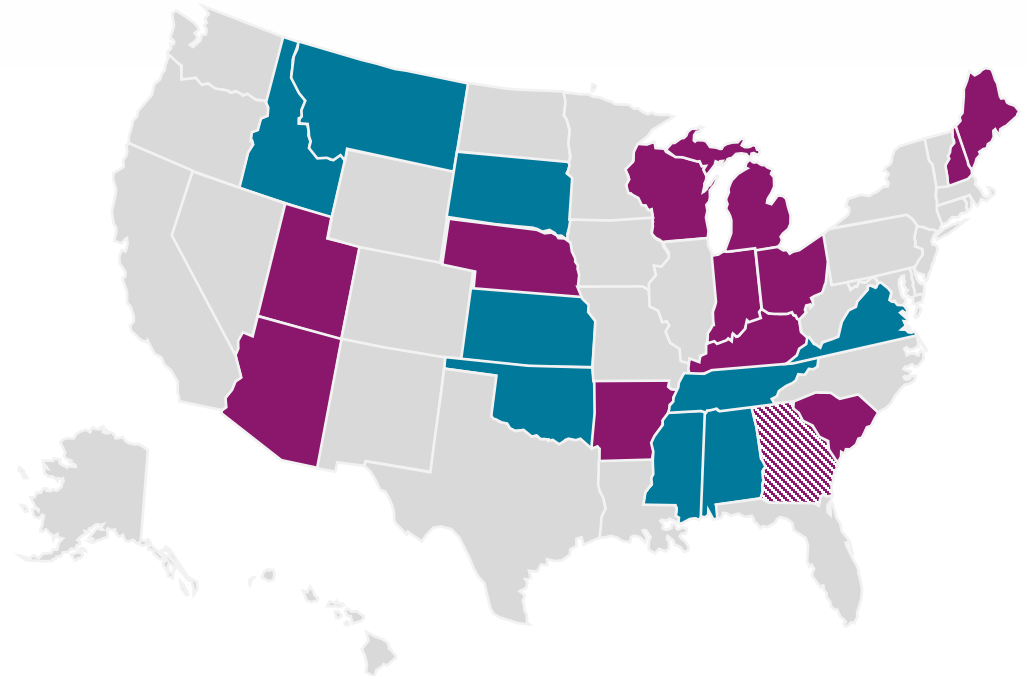
03 Waiver Withdrawals

Beginning in 2021, approved Medicaid work requirement waivers were systematically withdrawn on the basis that work requirements are not consistent with the goals of the Medicaid program.



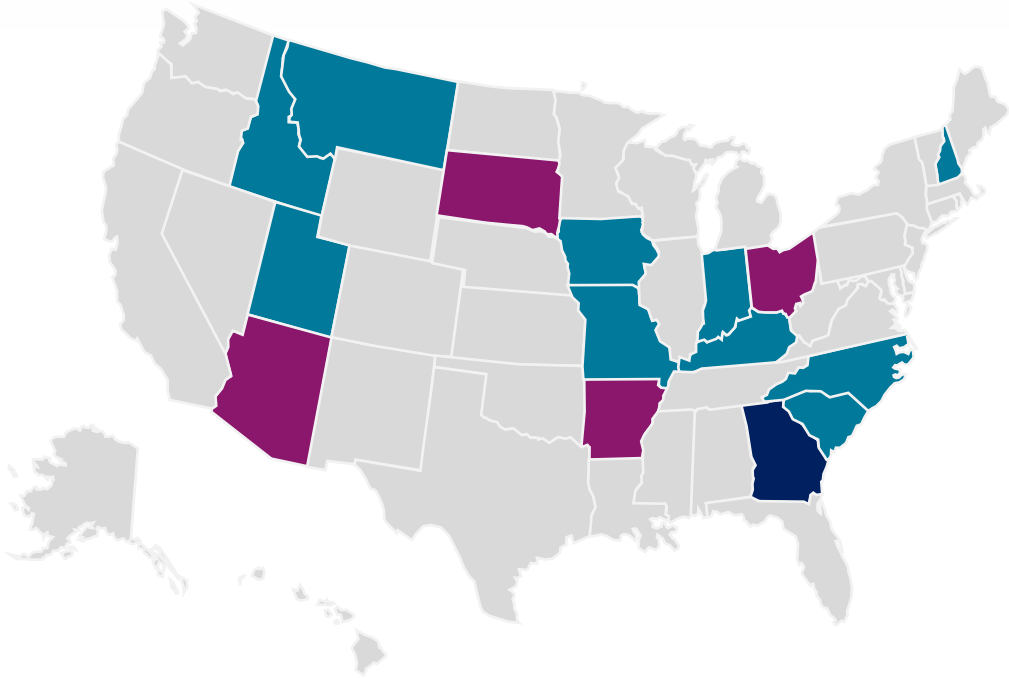
Prior State Action




- Between 2016 and 2020, Section 1115 waivers that conditioned Medicaid coverage on meeting work and reporting requirements were approved for the first time in the history of the Medicaid program.
- Georgia began implementation of its work requirements waiver in 2023.



Newly Submitted Waivers & Legislation

Since January 2025, several states have indicated they plan to submit new waiver applications, introduced legislation requiring submission of a waiver application, or submitted a waiver application to CMS.



-  Application submitted to CMS
-  Recent State Activity
-  Waiver Currently Implemented



Public Consulting Group (PCG) has developed a **high-level toolkit** to serve as a step-by-step guide for states to **design, implement, operationalize, and evaluate a work requirement or community engagement component** in their state Medicaid program.

Through the toolkit, best practices and lessons learned from work with state Medicaid departments are provided by PCG subject matter experts.

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Program Design

Program Design

Options and Requirements

States developing a work requirement will first need to design the program and ensure the policy design addresses the particular needs of the Medicaid population and goals of the state.

Structure of Requirements

The design of the work requirements elements can vary significantly, and the state has the ability to structure requirements specific to its needs and population.

Program Design Decision Making



States should consider the policy goals of the work requirement and needs of their Medicaid populations as they develop their work requirements.

There's a lot of decisions that need to be made....

- Eligibility groups
- Exempt groups
- Required vs. optional participation
- Hours requirements
- Qualifying events
- Corresponding benefits
- Reporting and verification
- Reporting tools and options
- Authorization and timelines



Eligibility



States should consider which populations will be required to satisfy work requirements.

Applicable ***eligibility groups*** could include:

- The full adult population
- Just the Medicaid expansion population
- Other specific eligibility groups

States should consider whether to ***exempt groups***, such as:

- Beneficiaries who are pregnant or 60 days post-partum
- Beneficiaries who have a disability, or
- Beneficiaries who are dually eligible and over age 64.



Required vs Optional Participation



States have the option to structure the expectations to engage in work within the community as a requirement or an option to access additional benefits.

Consider allowing beneficiaries to comply with and verify requirements ***in order to gain related benefits*** such as:

- Supported employment
- Unrelated enhanced benefits, e.g., adult dental or vision services

Consider allowing beneficiaries to comply with and verify requirements ***to minimize financial obligations*** such as:

- Copayments
- Premiums

Hours Requirements



States should be intentional when setting hours requirements and consider the timeframe for measuring and monitoring hours.

- States will need to determine a set amount for the hours requirements (e.g., 20 hours/week, 35 hours/week, 80 hours/month).
 - These amounts can vary by population and can be phased-in over time.
- States can choose to measure hours on a weekly, monthly, or annual basis.
 - Measuring over longer periods can more aptly address hours fluctuations, including seasonally.



Qualifying Activities



States will need to decide how broadly to define qualifying activities that will satisfy work and community engagement requirements

Traditional qualifying activities include:

- Employment
- Self – Employment
- Education

Other qualifying activities to consider:

- Unpaid internships
- Job search and job skills training
- Volunteer work
- Caregiving for family members
- Participation in substance use disorder treatment and education
- Compliance with SNAP or Transitional Employment Assistance employment programs
- Accredited homeschooling



Corresponding Benefits



A work requirement could be implemented along with corresponding services

- The state could provide linkages to ensure beneficiaries are aware of and able to access prevocational and vocational services that already exist through the state to help individuals prepare for and secure jobs:
 - Job training
 - Counseling
 - Job placement
- The state might also seek authority for coverage of supported employment services that promote community inclusion and integrated employment for targeted populations.



Reporting and Verification



States will need to choose how frequently to have beneficiaries report hours.

States can choose to have reporting and to verify:

- On a point-in-time basis, bi- annually, or annually
- At the time of eligibility determinations and redeterminations
- On an ongoing basis

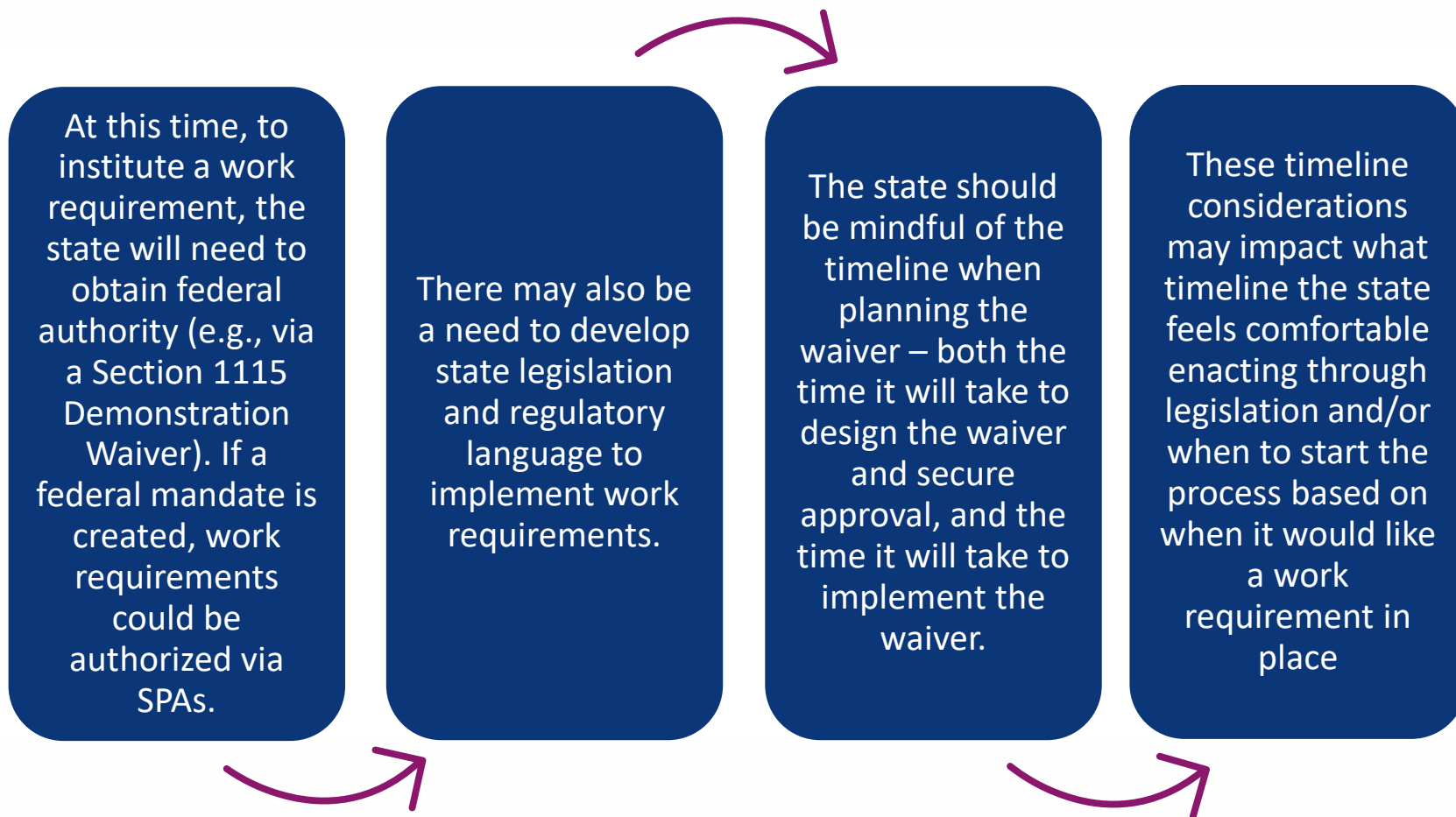
Reporting Tools & Options



States should consider what technology and other tools can be leveraged to streamline reporting

- Leveraging a data-hub to pre-populate reports and for verification can make both processes lower-barrier.
- Using an attestation system and/or an online reporting system may improve administrative efficiency for the state, although some beneficiaries may experience barriers to accessing and using computers.
- In-person support and call-outs/visits can ensure there are not barriers to reporting.

Authorization



CMS Engagement




Throughout the waiver design process, the state is encouraged to work collaboratively with the Centers for Medicare and Medicaid Services (CMS) to keep them informed on the direction and approach the state is taking in advance of its formal waiver submission.

Historically, work requirements and community engagement waivers have included STCs regarding:

- Program Description
- Program Requirements
- Eligibility
- Benefits
- Premiums & Cost Sharing
- Work/Community Engagement Requirements
- Delivery Systems
- Reporting & Financial Requirements
- Budget Neutrality
- Evaluation Requirements





Key Considerations & Leading Practices

Take advantage of the opportunity to design work requirements to reflect your state's circumstances and work requirement goals

There are many ways to structure work requirements, and states have the opportunity to tailor these requirements to meet the goals of their Medicaid programs.



Policy design can determine the impact of the requirement on Medicaid enrollment/uninsured rates and churn, as well as how much effort the implementation will take from the state and compliance will take from beneficiaries.



For example, decisions regarding what will count as qualifying events, how often beneficiaries must report, and the hours required for compliance, and reporting mechanisms will be particularly impactful, as will decisions of the state of whether to leverage existing data or provide outreach.

Consider policy leading practices:

Findings from other state programs demonstrate the following leading practices.



Designing qualifying hours and activities requirements for target populations to ensure meaningful opportunities for compliance



Ensuring qualifying hours and activities reporting requirements do not impose a significant administrative burden, perpetuating gaps in coverage



Incorporating outreach and engagement efforts increases compliance

There are pros and cons to developing a unique approach or modeling after another state:



States have the choice of modeling after an existing/approved state waiver or taking a more innovative approach



Modeling after an approved waiver may lead to expedited CMS review and ultimately quicker approval but may not be a good fit for all states



States should consider whether to coordinate waiver design with neighboring states, given that the Medicaid population tends to be more transient

The state should consider the following actions to build structure and efficiency around its engagement with CMS:



Establish a regular cadence of standing calls with CMS.



Identify key state leaders who should be in attendance. Determine roles and responsibilities.



Maintain an Issue and Decision Log (IDL) to memorialize decisions and flag outstanding items.



Compile a frequently asked questions (FAQ) document as decisions are made.



The state should have a firm understanding of its non-negotiables upfront during this period

PCG Design Solutions



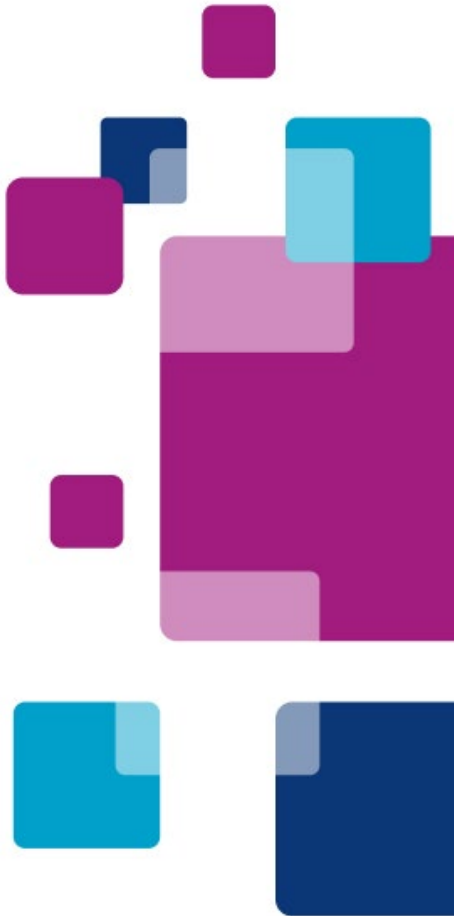
The design of the work requirement elements can vary significantly, and states can structure requirements specific to their needs and populations.

- PCG is experienced in guiding states through a facilitated decision-making process informed by policy analysis and state goals.
- PCG is familiar with less traditional work-related activities that states may want to consider and can help states develop a process to grant good cause exemptions and for re-enrollment following non-compliance.
- PCG is adept at helping states navigate required authorizations at the state and federal level and can facilitate collaboration with CMS in advance of formal waiver submission.



Program Implementation

Program Implementation



Program Implementation

- Implementation activities should be initiated during design
- After waiver approval, implementation activities will ramp up
- States will begin to work through the agreed upon federal assurances required to fulfill work and community engagement requirements
- These include:
 - System capabilities that operationalize the eligibility decisions (suspensions/lifting of suspensions, applying exemptions, and terminations)
 - Processes and procedures to efficiently report community engagement hours, request an exemption
 - Conduct outreach and education about work and community engagement requirements



Project Management



Implementing Medicaid work requirements demands meticulous planning, seamless coordination, and thorough oversight.

- States develop a comprehensive project plan that outlines clear goals, critical milestones, key objectives, and the necessary resources to achieve the established timelines efficiently
- Effective communication and robust stakeholder engagement should be prioritized throughout the implementation process to ensure program alignment and maintain a proactive outreach approach.



Program Messaging



States should plan to provide accurate and digestible information to a variety of stakeholders both before and after implementation.

The communication plan should include one-time and ongoing strategies to maintain consistent messaging and reinforcement of correct program guidelines, both before and after program implementation. Communication should be tailored as follows:

- Beneficiary-facing
- Health plan, provider, and community organization-facing
- Inter-agency
- FAQs for beneficiaries, providers, and stakeholders

Create a Communications Strategy



A robust communications approach is integral to program success.

Plan out the how, who, what, and when for materials necessary to maximize program understanding:

- Establish a communications timeline
- Determine which outreach mediums are most effective for each audience type
- Develop understandable, plain language content that aligns across the program

Beneficiary Support Resources



In addition to a strong communication strategy, the state will need to offer additional support to Medicaid beneficiaries to answer questions about enrollment, reporting processes, and more.

- Interactive chat boxes and program email inboxes to answer questions online
- Interactive Voice Response and phone lines to answer questions live
- Collaborate with key organizations and state programs to help direct questions to the team
- Support state staff in how to answer questions about the program

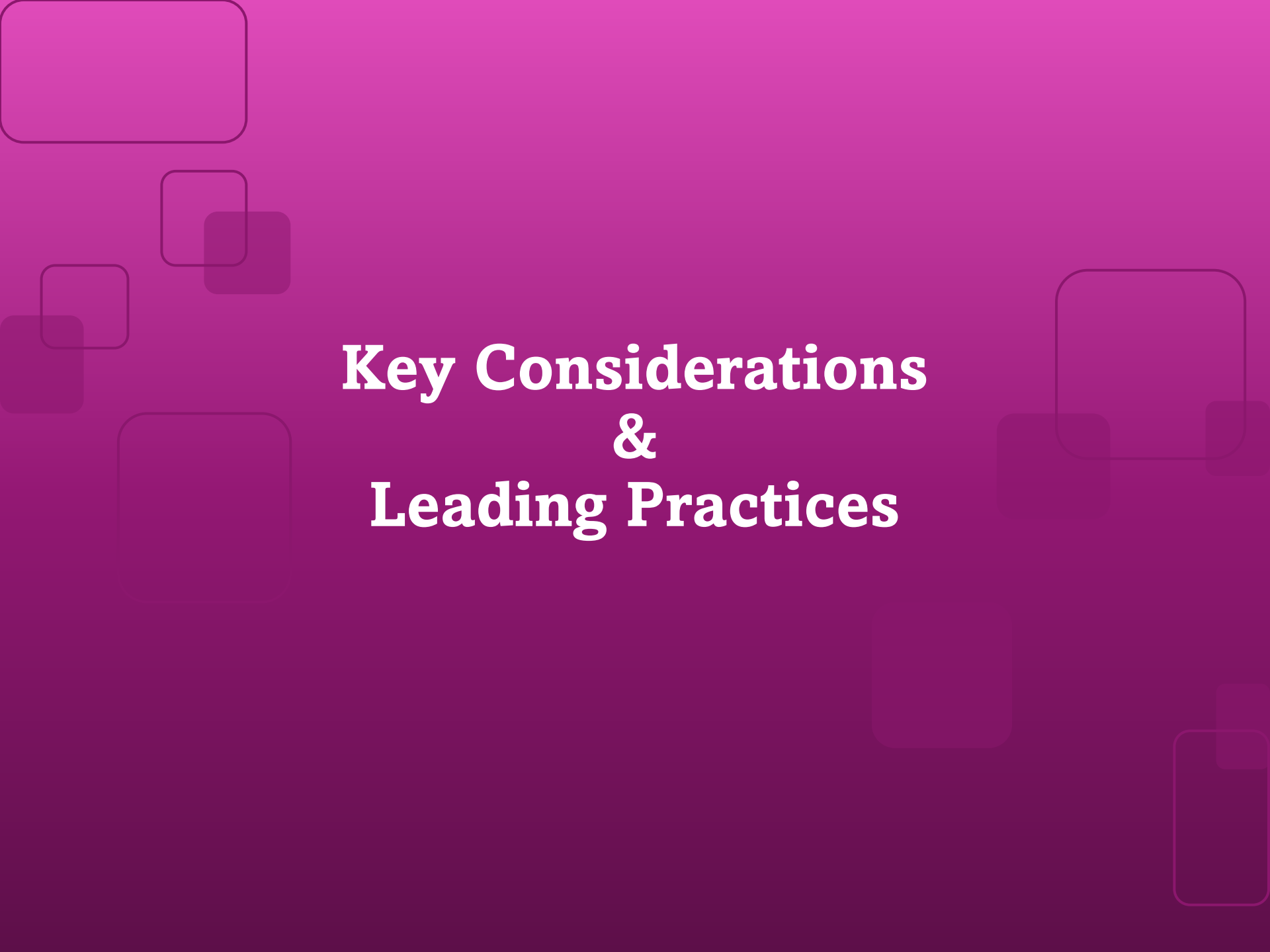
Reporting and Compliance



States will be required to set forth executing the federal assurances they agreed to when implementing work and community engagement requirements.

Such state assurances that need to be tracked for compliance include:

- Maintaining system capabilities to operationalize suspensions and lifting of eligibility suspensions and terminating eligibility;
- Ensuring processes and procedures are in place to efficiently report community engagement hours or obtain an exemption;
- Distributing timely and adequate beneficiary notices;
- Conducting active outreach and education about work and community engagement requirements to ensure successful compliance.



Key Considerations & Leading Practices

Clearly Define Work & Community Engagement Activities



Such clarity ensures that beneficiaries understand expectations and can engage in activities that qualify toward their work requirements.

States have established specific guidelines detailing what constitutes acceptable work or community engagement activities, including:

- Unsubsidized employment
- Job training
- Job search assistance, and
- Community service

Services to Support Maintaining Employment



Effective programs provide support services that address barriers to employment.

Consider offering any of the following to enhance beneficiaries' ability to meet work requirements:

- Childcare assistance
- Transportation subsidies
- Job training programs

Gradual Implementation and Flexibility



Phasing in work requirements allows beneficiaries time to adjust. Gradual increases in work hour requirements, an initial grace period before reporting begins, or progressive reporting and verification processes



Incorporating flexibility for individuals facing significant challenges, such as health issues or caregiving responsibilities, can lead to more equitable outcomes.

Demo of PCG's

WorkComply 

PCG*One*.

Solution

Data Broker Services



A data broker service can play a crucial role in the implementation of Medicaid work requirement programs by streamlining eligibility verification and ensuring compliance.

- Aggregate and analyze data from various sources, enabling state agencies to efficiently verify employment status, income levels, and other eligibility criteria.
- Reduce administrative burdens, minimizes errors, and accelerates decision-making processes.
- Enhance program integrity by identifying discrepancies or potential fraud, ensuring that resources are allocated to eligible individuals.

PCG Implementation Solutions

Stand-alone Data Hub

PCG has a stand-alone data hub that connects state systems and users to a growing menu of more than 200 third-party data sources via a single PCG interface making us uniquely suited to serve each state and provide these services.





Monitoring & Evaluation

Monitoring and Evaluation

Monitoring and evaluation are crucial components of a program lifecycle, and planning for them should begin as early as possible.

Effective monitoring and process evaluation can help stakeholders ensure the program remains on track and meets its objectives by identifying potential issues early and implementing corrective actions.

Comprehensive and robust evaluations are critical to understanding the implementation, impact, and sustainability of a program or policy. Evaluations examine both the barriers to and facilitators of an intervention's success in achieving the intended goals. It measures whether intended benefits are delivered to the target population, and captures unintended results.

Evaluation synthesizes data to provide stakeholders with findings and recommendations for decision-making.

Waiver Evaluation



Effective evaluation of the waiver plays a critical role in assessing the success of the policy in achieving its intended goals.

- **Create a comprehensive, cost-effective evaluation design:** An evaluation design needs to balance high-quality data collection and rigorous analyses to answer critical research questions, while minimizing burden for the state, its partners, and beneficiaries, and acknowledging real-world limitations in data collection, cost constraints, and timelines.
- **Leverage a mixed-methods approach:** Evaluation designs that incorporate both qualitative and quantitative data collection and analysis are critical to capturing the full-picture of the implementation and impact of a policy or program.

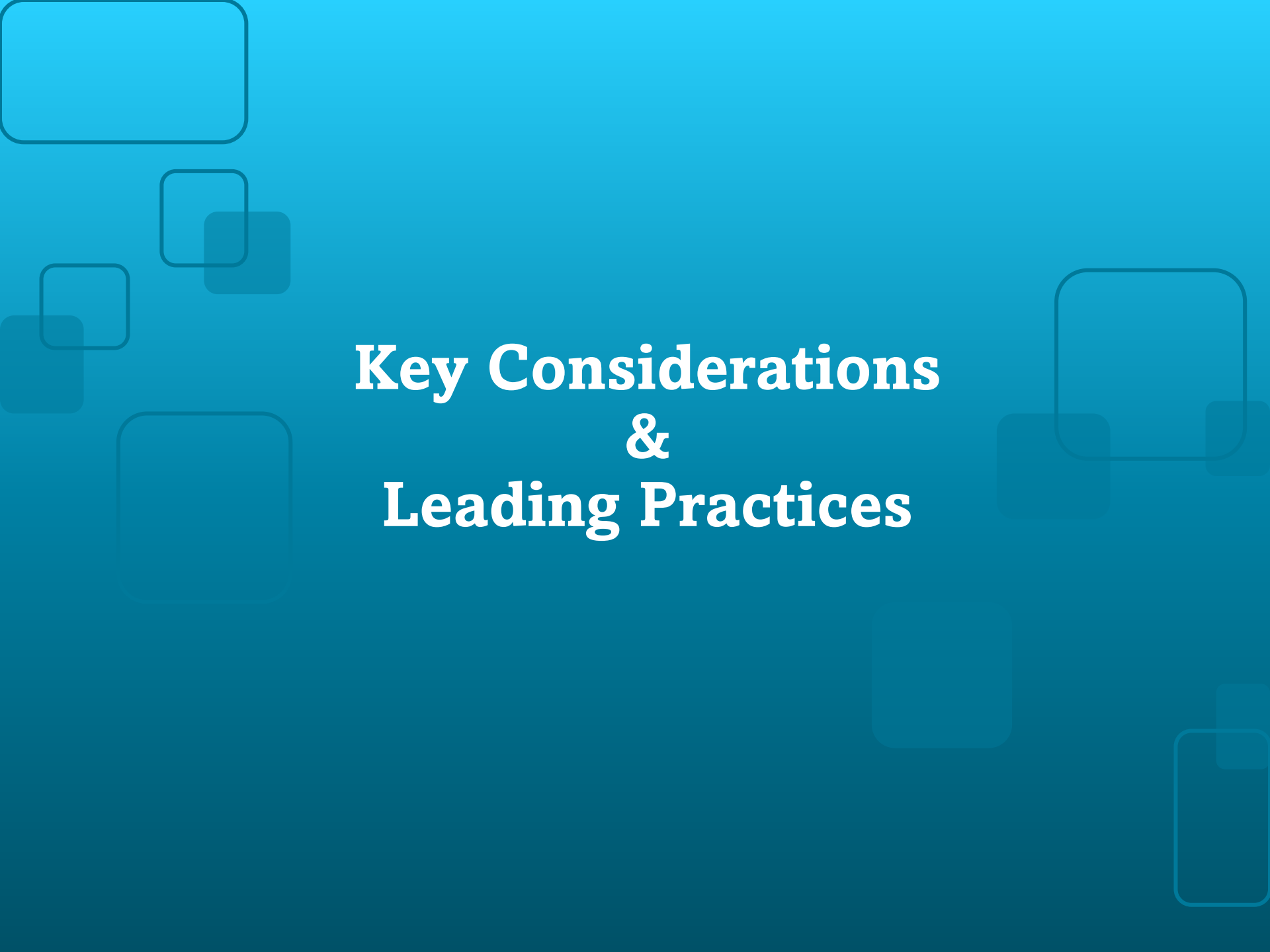
CMS Reporting for 1115 Waiver Evaluations



States will need to ensure those deliverables meet both the state's and CMS's needs effectively, and allow ample time for review and feedback throughout the drafting process.

CMS required evaluation deliverables may include:

- Evaluation Design Document
- Interim and Summative Evaluation reports



Key Considerations & Leading Practices

Evaluation Design



Ensure evaluation design includes the key metrics to measure the impact of the program

Metrics should include:

- Beneficiary compliance rates
- Employment rate trends
- Program enrollment trends
- Income growth
- Healthcare access improvements
- Reduction in program dependency

Data Collection



Prioritize and facilitate the collection of high-quality, qualifying hours and activities data.

- High-quality, granular data that accurately captures applicants' and beneficiaries' efforts to comply with work requirement guidelines is critical to understanding the true impact of a program.
- Capturing trends in reported work and other qualifying activities offers meaningful insights.



Stratifying Data



Stratify outcomes across key demographic sub-groups

- Collecting demographic data, where feasible, is critical to understanding the differences and potential disparities in program implementation and outcomes

Tailor Deliverables to Meet the Needs of Intended Users and Audiences



This customized approach ensures that an evaluation both meets CMS requirements and is useful to the state. A range of stakeholders should be able to utilize evaluation findings and deliverables to inform their evidence-based decision making about their work-requirement and community engagement waivers.

In addition to meeting CMS requirements, evaluation deliverables and work products can be tailored to meet the needs of :

- Policymakers
- Legislators
- Other State Agencies

PCG Monitoring and Evaluation Solutions



PCG has the experience and expertise to design and implement robust, cost-effective waiver evaluations for states.

- PCG serves as the Independent Evaluator for Georgia Pathways, currently the only 1115 Medicaid work requirement waiver being implemented.
- Our team has demonstrated expertise and experience in 1115 waiver evaluation, conducting waiver evaluations across seven states. PCG is a leader in:
 - Balancing state needs and CMS requirements
 - Designing cost-effective, mixed-methods evaluations that captures the full story of a policy or program
 - Customizing deliverables to meet stakeholder needs



Q & A

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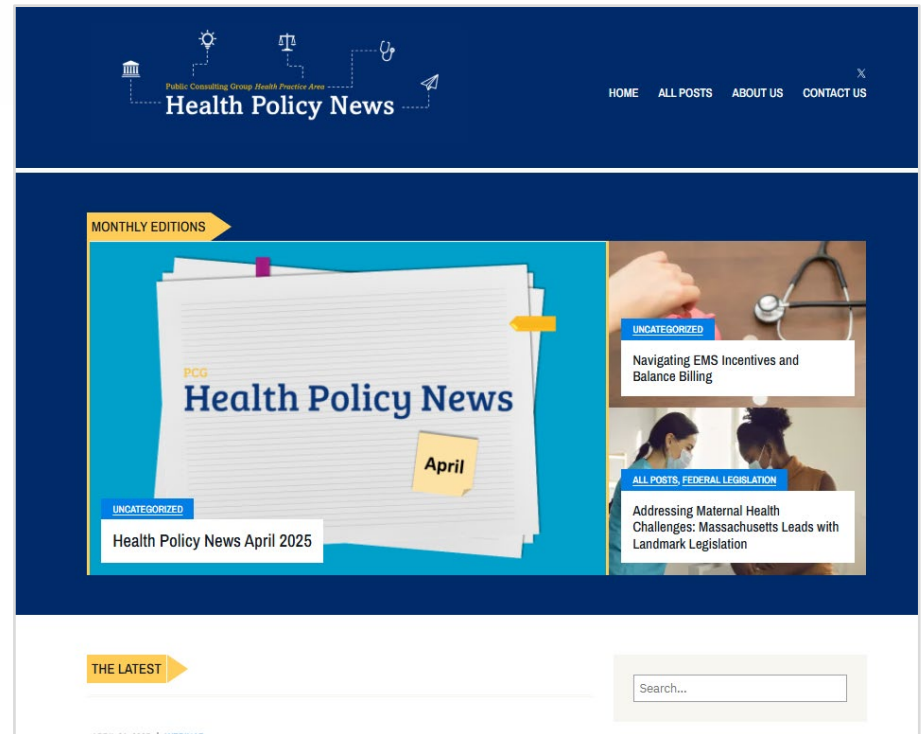
Feel free to contact the PCG team
by reaching out to:

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or submit any questions to the
Contact Us form linked below:

<https://pcghealthpolicy.com/contact/>

Check out the Health Policy News blog in the following days for a recording of this presentation and the full **State Medicaid Work Requirement & Community Engagement Toolkit**



<https://pcghealthpolicy.com>



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Solutions that Matter