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How Will New Federal Requirements Affect Medicaid Expansion Enrollees in the Fourth District?

This *District Data Brief* looks at Medicaid expansion enrollment in the Fourth District, its impact on uninsured rates, and the extent to which the new federal community engagement requirement could affect expansion enrollees in the District.

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Topics State and local economies, Labor economics, Financial well-being

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Introduction

Since the passage of the Affordable Care Act (ACA), which allowed states to expand Medicaid eligibility to more low-income individuals, enrollment in the program has grown nationwide, while the US uninsured rate has fallen to a historical low.[1] The same is largely true in the Fourth District, which comprises Ohio, eastern Kentucky, western Pennsylvania, and the northern panhandle of West Virginia, as all these states were early adopters of the expansion. In this *District Data Brief*, I examine current Medicaid expansion enrollment in Fourth District states and assess the impact of the Medicaid expansion on uninsured rates across the District and many of its subregions. I then examine the possible effects of a new federal community engagement requirement. Under this requirement, individuals who became eligible for Medicaid coverage because of the expansion will need to meet

certain work, educational, or community service obligations to maintain their eligibility. The existing research about similar requirements shows that these policies may impact the labor force participation and hours worked of affected individuals. Some studies also conclude that policies like the federal one can affect the household finances of individuals who are disenrolled from Medicaid because of noncompliance with the requirement. As a result, this new requirement could ultimately have an impact on the labor market and some households' finances in the Fourth District.

Data and Definitions

The data in this report are from several sources. Data on state Medicaid expansion enrollment are from the Medicaid Budget and Expenditure System (MBES) via the Centers for Medicare and Medicaid Services (CMS). Data on the uninsured rates among regions' Medicaid expansion populations are from the Census Bureau Small Area Health Insurance Estimates (SAHIE) Program. Data on the characteristics of Medicaid recipients in Fourth District states are from the Census Bureau Current Population Survey Annual Social and Economic Supplement. The population estimates used in Table 1, Table 2, and Figure A1 are from the Census Bureau's standard estimates, while the figures used in Table A1 are from the SAHIE Program.

Expansion Enrollment and Outcomes in the Fourth District

As of December 2024, Medicaid expansion enrollment rates in Fourth District states for residents aged 18 to 64 ranged from 10.2 percent in Ohio to 17.3 percent in Kentucky (Table 1).[2] Enrollment rates in West Virginia and Kentucky ranked in the top 10 among all 41 expansion states, and both states had an enrollment rate that was greater than 1.5 times the national rate. Because Medicaid eligibility is closely tied to income, regions with larger shares of low-income households, including the portions of

Kentucky and West Virginia that lie in the Fourth District, tend to have greater overall Medicaid enrollment rates.

TABLE 1. PERCENTAGE OF POPULATION AGED 18 TO 64 ENROLLED IN MEDICAID EXPANSION (BY STATE)

State	Population aged 18 to 64	Medicaid expansion enrollment	Enrollment rate	Rank among expansion states
Kentucky	2,736,005	473,808	17.3%	5
Ohio	7,039,395	719,617	10.2%	25
Pennsylvania	7,782,998	829,238	10.7%	24
West Virginia	1,034,169	170,401	16.5%	7
All expansion states	205,798,350	20,684,070	10.1%	N/A

Sources: Medicaid Budget and Expenditure System (MBES), Census Bureau, and author's calculations
Last data point: December 2024 for Medicaid expansion enrollment, 2024 for state populations.

One straightforward measure of the expansion's impact on eligible individuals is the change in uninsured rates for this population since before the program took effect in 2014. Table 2 shows this change in the Fourth District, its metro areas and nonmetro counties, and the nation from 2013 through 2023. Among all expansion-eligible individuals in the Fourth District, the uninsured rate fell from 31.8 percent in 2013 to 13.5 percent in 2023, a decline of 18.3 percentage points. The national decline of 18.7 percentage points slightly exceeded that of the Fourth District, though the overall uninsured rate among the expansion's target population remained higher nationwide, largely because of the elevated rates in nonexpansion states (although the creation of the ACA marketplace, a federally run online health insurance exchange, resulted in a decline in uninsured rates in nonexpansion states, this decrease was not as pronounced as in expansion states). Notably, in the Fourth District, metro areas at least partially contained within West Virginia or Kentucky experienced the greatest declines in the uninsured rate for eligible individuals.

TABLE 2. CHANGE IN UNINSURED RATES AMONG MEDICAID EXPANSION-ELIGIBLE INDIVIDUALS

Region	Uninsured rate		Change
	2013 (%)	2023 (%)	2023 minus 2013 (percentage points)
Lexington–Fayette, KY	41.0	14.6	-26.4
Huntington–Ashland, WV–KY–OH	37.6	12.8	-24.8
Wheeling, WV–OH	35.4	13.2	-22.2
Cincinnati, OH–KY–IN	34.5	14.4	-20.1
Weirton–Steubenville, WV–OH	33.3	13.3	-20.0
Sandusky, OH	32.6	12.6	-20.0
Nonmetro counties	32.6	12.7	-19.9
Cleveland, OH	31.8	13.5	-18.3
Toledo, OH	30.3	12.2	-18.1
Lima, OH	30.5	12.6	-17.9
Youngstown–Warren, OH	30.4	12.5	-17.9
Dayton–Kettering–Beavercreek, OH	31.3	14.2	-17.1

Akron, OH	30.6	13.5	-17.1
Canton–Massillon, OH	29.5	12.4	-17.1
Springfield, OH	30.0	13.0	-17.0
Mansfield, OH	30.6	13.9	-16.7
Pittsburgh, PA	26.1	10.6	-15.5
Erie, PA	24.7	9.3	-15.4
Columbus, OH	33.6	18.7	-14.9
United States	38.9	20.2	-18.7
Fourth District	31.8	13.5	-18.3
Expansion states	35.8	16.0	-19.8
Nonexpansion states	46.3	29.9	-16.4

Sources: Census Bureau Small Area Health Insurance Estimates and author's calculations
Notes: Includes individuals aged 18 to 64 with income at or below 138 percent of the federal poverty level. The nonexpansion states are Alabama, Florida, Georgia, Kansas, Mississippi, South Carolina, Tennessee, Texas, Wisconsin, and Wyoming. The Cincinnati and Huntington–Ashland metro areas include counties that are not part of the Fourth District.

Alongside these changes in uninsured rates, qualitative reports can provide insight about how conditions have changed for expansion enrollees since the policy took effect. In Ohio, which is home to a majority of Fourth District residents, assessments conducted by the state in 2016 and 2018 found that expansion enrollees had better access to physical and mental healthcare, higher healthcare utilization rates, and fewer emergency department visits. These enrollees also felt more secure in their employment, found it easier to seek new employment, and reported improved overall financial stability. The same reports determined that 75 percent of Ohio expansion enrollees had no insurance coverage prior to enrolling in Medicaid, while the remaining 25 percent either found employer-based insurance too costly or lost their employer-based coverage prior to enrolling in Medicaid.[3] Research about the broader population of expansion enrollees in the United States is generally consistent with the above reports and has also found that the Medicaid expansion led to reduced mortality rates among low-income adults.

Impacts of Past Work Requirements

By linking individuals' Medicaid eligibility with their employment status, work requirements are meant to reduce individuals' reliance on Medicaid by improving their financial stability. To date, only Arkansas has tested a work requirement policy for existing Medicaid expansion enrollees.[4, 5] However, the federal government's Supplemental Nutrition Assistance Program (SNAP) has a longstanding work requirement that has been studied extensively.

Research is mixed regarding the impact of the SNAP work requirement policy on employment. Some research suggests that it does little to increase labor supply or employment, while other research finds that the policy does modestly boost employment. However, studies consistently suggest that SNAP participation is meaningfully lower among individuals who are subject to the work requirement policy. Analyses of the Medicaid work requirement program in Arkansas find no evidence that enrollees in that program were more likely to be employed but conclude that they were less likely to have Medicaid or other insurance compared to similar individuals in other states who were not subject to work requirements.[6] Research also suggests that enrollees who were subject to the Arkansas policy frequently struggled with procedural issues, and this caused many individuals who were otherwise eligible for Medicaid to be disenrolled. Of the roughly 18,000 individuals who lost Medicaid coverage after Arkansas implemented its work requirement, many later reported problems paying medical debt or said they had delayed taking medications because of cost.

How Does the New Community Engagement Requirement Work?

Beginning in January 2027, able-bodied, working-age adults will be required each month to work or participate in a work program for no fewer than 80 hours, complete at least 80 hours of community service, enroll in an educational program at least half time, or perform some combination of these activities for no fewer than 80 hours to remain eligible for coverage through the Medicaid expansion.

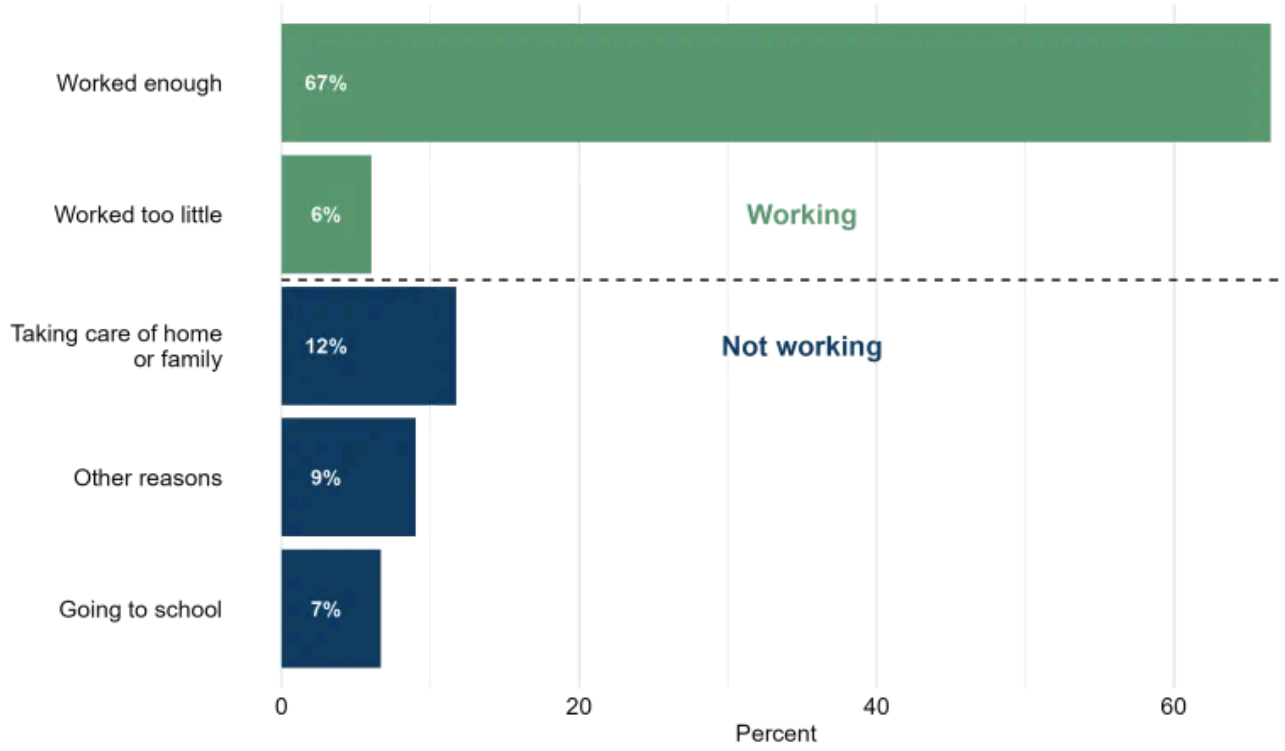
Individuals' eligibility will be evaluated when they apply to receive or renew coverage. While many states, including all the Fourth District states, currently set these redetermination intervals at one year, the new policy requires states to verify each enrollee's eligibility every six months; redeterminations more frequent than this are permitted under the law. Individuals who are found to be compliant using data readily available to states will maintain their Medicaid coverage, while those who are not obviously compliant will have 30 days to prove their eligibility before being disenrolled.

Individuals who do not meet the above requirements can qualify for or maintain insurance through the Medicaid expansion if they meet one of several other criteria. States must make exceptions for parents, guardians, and caretakers of children under the age of 14 or of disabled individuals; pregnant women; foster youth under age 26; the "medically frail" (including disabled individuals and those undergoing treatment for substance use disorder); American Indians and Alaska Natives; disabled veterans; or anyone entitled to Medicare or already compliant with the SNAP work requirement. In addition, states can invoke a set of optional "hardship" exemptions on a case-by-case basis. These optional exemptions include recent hospital stays, poor geographic access to healthcare, a high unemployment rate in an individual's home county, and national emergencies.[7] Despite this long list of exemptions, tighter redetermination intervals, a larger target population, and short windows for individuals to prove eligibility make the new federal requirement more stringent than many similar policies enacted in the past.

Who Will Be Affected in the Fourth District?

Figure 1 shows the 2023 work status of Medicaid recipients in the Fourth District states who likely would have been subject to the new community engagement requirement had it been in place that year. While 73 percent (the sum of the green bars) reported working that year, only 67 percent reported working enough hours to comply with the new requirement.[8, 9] Those who reported not working for the entire year provided various reasons why this was the case. Individuals most often reported not working because of caregiving responsibilities (12 percent), while a smaller share (7 percent) cited school attendance. Most of the individuals who reported not working at all in the prior year would not have been counted in the labor force, as they also did not report looking for work at any time during the year leading up to the survey.[10] Although the respondents who worked enough hours would have had the clearest path to maintaining their Medicaid coverage under the new requirement, the roughly one-third who worked too few hours or reported not working for various reasons could have been exempt from the requirement depending on their specific life circumstances. Still, a notable number could be at risk of going uninsured if they do not secure exemptions from the new federal requirement or work more hours, especially if states face challenges identifying individuals who qualify for an exemption.

Figure 1. Characteristics of Select Medicaid Enrollees in Fourth District States (2023)



Sources: Census Bureau Current Population Survey (CPS) and author's calculations; total may not sum to 100 because of rounding

Notes: Like most survey data, the CPS generally underestimates Medicaid enrollment. This can occur for multiple reasons, including that some respondents may not know that their state's uniquely named public insurance program is technically part of Medicaid. These data have not been adjusted for undercounting. "Other reasons" include temporary illness or disability, inability to find work, and retirement.

As of the writing of this report, Pennsylvania's Department of Human Services estimates that 310,000 enrollees in the state will lose access to Medicaid because of the community engagement requirement and other changes brought on by recent legislation.[11] The state governments in Kentucky, Ohio, and West Virginia have not published corresponding figures. However, an analysis by the Kaiser Family Foundation (KFF) estimates that many individuals will also lose Medicaid coverage in Kentucky (200,000), Ohio (290,000), and West Virginia (54,000). As a result of new, stricter eligibility standards for cost-sharing in the ACA Marketplace, which is often the next-best option for individuals who lose their Medicaid coverage, it is possible that employer-based insurance will become the only viable option for individuals who are disenrolled from Medicaid because of the new requirements.

Conclusion

The Medicaid expansion has led to large decreases in the uninsured rate of eligible adults in the Fourth District and across the United States. In the time since the expansion took effect, surveys and other research have shown that eligible individuals in the Fourth District and elsewhere have experienced improved health, employment, and financial outcomes because of the expansion. As of 2023, only about two-thirds of select Medicaid enrollees in Fourth District states reported working enough hours that they would have been able to qualify for or maintain Medicaid coverage if the new federal requirements had been in place during that year. Individuals who are not working enough hours could be at risk of going uninsured if they are unable to increase their working hours or do not secure exemptions from the new federal requirements.

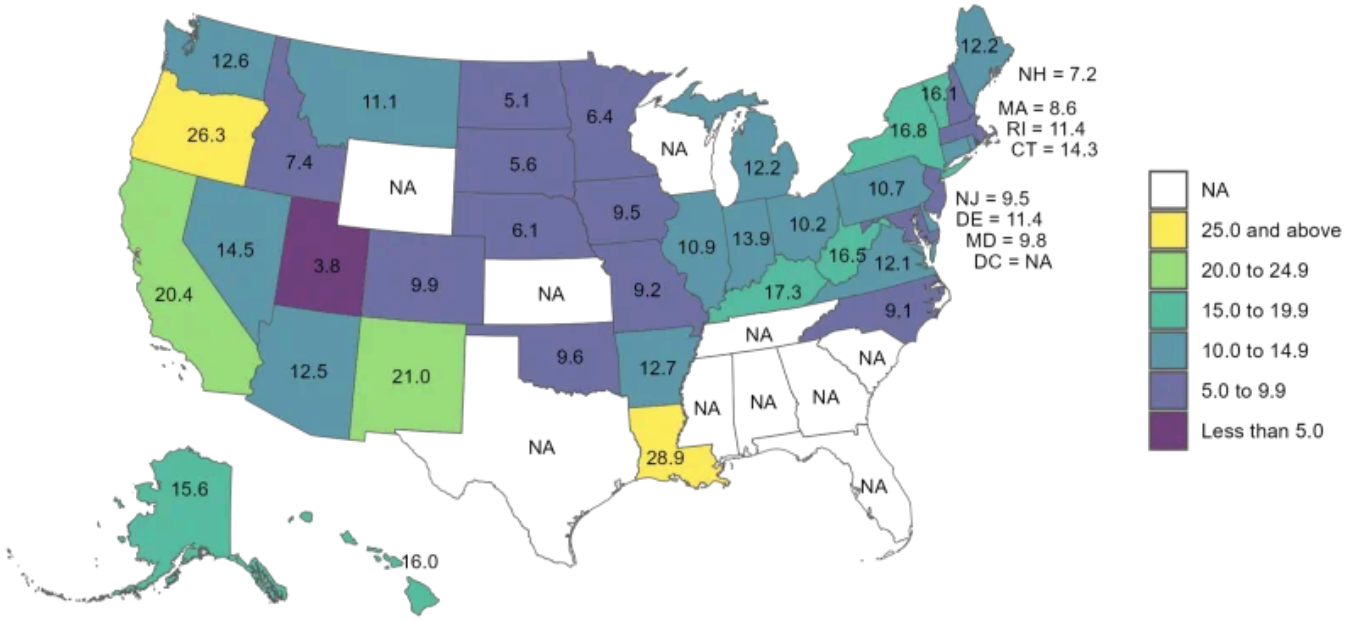
Footnotes

1. Prior to the ACA, eligibility criteria for Medicaid were largely at the discretion of states. The ACA standardized the eligible population to include eligible US citizens and some non-citizens, aged 18 to 64, with income equal to or less than 138 percent of the federal poverty level. States choose whether to participate in the Medicaid expansion. Return to 1
2. The first figure in the appendix (Figure A1) shows enrollment rates among those aged 18 to 64 for all expansion states, while Table A1 displays these rates for all Fourth District metro areas for which data are available. Return to 2
3. Seiber and Berman (2017) similarly find that most Medicaid expansion enrollees would have "no plausible pathway to obtaining private-sector insurance" and that only 5 percent of Ohio's expansion enrollees were eligible for employer-based insurance as of 2015. Return to 3
4. The Arkansas work requirement was in effect from June 2018 until March 2019, when a federal court halted the program. This policy originally applied to able-bodied, childless adults, aged 30 to 49, who were not enrolled as full-time students, though the age group was expanded to include individuals aged 20 to 49 in January 2019. Return to 4
5. Georgia has enacted a quasi-expansion program that allows individuals who already meet certain employment criteria to receive Medicaid coverage, though the state has not officially expanded Medicaid through the ACA. Return to 5
6. Conversely, research shows that the Medicaid expansion did not result in lower labor supply or employment levels. Leung and Mas (2018) and Buchmueller et al. (2019) find that the ACA expansion had no meaningful impact on employment, while Peng et al. (2020) find a small and temporary decline in overall employment. Studying a separate, pre-ACA expansion in Oregon's Medicaid program, Baicker et al. (2014) find no effect on employment or earnings. Return to 6
7. As an example of how these optional exemptions might be used, data from the Bureau of Labor Statistics show that 16 of the 169 counties in the Fourth District had qualifying unemployment rates (greater than either 8 percent or 1.5 times the national rate) in August 2025. This condition would have allowed the states to forego eligibility determinations for enrollees in these counties during this period. For a full list of the mandatory and optional exemptions, see A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law | KFF. Return to 7

8. Includes Medicaid recipients aged 18 to 64 who did not report a disability, Medicare enrollment, or receipt of supplemental Social Security income; this closely approximates the segment of the Medicaid expansion population who will be subject to the new work requirement. Return to 8
9. Respondents' monthly hours worked are calculated by multiplying their usual weekly hours worked by the average number of weeks in one month. Individuals who would have worked fewer than 80 hours are identified as having worked too little to qualify for Medicaid expansion coverage under the new requirement. Return to 9
10. In economic terms, individuals are classified as "unemployed" only if they are without work but actively searching for employment, or if they are temporarily absent from work for reasons like illness or furlough. For example, among the individuals in Figure 1 who reported "Taking care of home or family" as their reason for not working in 2023, only 3 percent reported looking for work at all. Those who did not seek work would have been classified as "not in [the] labor force." For a detailed explanation of this concept, see Concepts and Definitions (CPS): U.S. Bureau of Labor Statistics. Return to 10
11. This figure includes only individuals who are expected to lose Medicaid coverage because of noncompliance with the new requirement. Return to 11

Appendix

Figure A1. Medicaid Expansion Enrollment as a Percentage of State Populations Aged 18 to 64



Sources: Medicaid Budget and Expenditure System (MBES) via Centers for Medicare and Medicaid Services (CMS), Census Bureau, and author's calculations

Last data point: December 2024 for Medicaid expansion enrollment, 2024 for state populations.

Notes: States with missing values have not adopted the Medicaid expansion.

TABLE A1. MEDICAID EXPANSION ENROLLMENT AS A PERCENTAGE OF METRO POPULATIONS AGED 18 TO 64

Metro area	Population aged 18 to 64	Medicaid expansion enrollment	Enrollment rate
Springfield, OH	75,943	12,245	16.1%
Youngstown–Warren, OH	236,339	36,115	15.3%

Erie, PA	149,571	18,289	12.2%
Mansfield, OH	66,529	8,078	12.1%
Dayton–Kettering–Beavercreek, OH	468,536	56,136	12.0%
Akron, OH	413,542	48,300	11.7%
Lima, OH	55,539	6,280	11.3%
Cleveland, OH	1,250,253	139,819	11.2%
Columbus, OH	1,318,736	147,781	11.2%
Toledo, OH	350,285	39,322	11.2%
Pennsylvania nonmetro counties	300,723	31,200	10.4%
Canton–Massillon, OH	227,867	23,467	10.3%
Ohio nonmetro counties	1,191,196	115,315	9.7%
Pittsburgh, PA	1,399,425	124,459	8.9%
Sandusky, OH	63,454	5,616	8.9%

Sources: Ohio Department of Medicaid, Pennsylvania Department of Human Services, Census Bureau Small Area Health Insurance Estimates, and author's calculations
Last data points: July 2025 for Pennsylvania, June 2025 for Ohio, 2023 for population.
Notes: These figures are the sums of county data. Medicaid expansion enrollment data are not

available for counties in West Virginia or Kentucky. Pennsylvania nonmetro counties include only those that lie in the Fourth District.

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