

Work Requirements: What Are They? Do They Work?



Robert Wood Johnson
Foundation

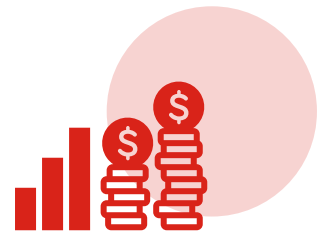
In programs with work requirements, participants must document employment or other approved activity or else qualify for an exemption in order to receive assistance. Decades of research show that these policies do not move people off assistance and into self-sufficiency. Instead, work requirements harm health, keep eligible people from obtaining needed assistance, and drive people and families already struggling to make ends meet deeper into poverty.

Executive Summary

Policymakers are considering increasing the use of work requirements in the Temporary Assistance for Needy Families (TANF) program and Supplemental Nutrition Assistance Program (SNAP), and adding them to the Medicaid program. Those who support work requirements argue that they will increase labor force participation and bring people out of poverty.

Yet available evidence does not support these claims. Long-term program dependency is rare. Most people who participate in means-tested assistance programs only do so for short periods of time when unemployed or experiencing unexpected declines in income. Most participants in means-tested programs are [already working](#) but receive wages that don't meet their living costs. Those who are not working are mostly contending with physical and mental health challenges or caregiving responsibilities that work requirements will not address. Work requirements programs are costly to administer and create an administrative burden for participants and government agencies. For these reasons, they rarely boost labor force participation.

Instead, research shows that work requirements reduce access to healthcare and health-promoting programs, keep eligible people from acquiring assistance, and drive people deeper into poverty.



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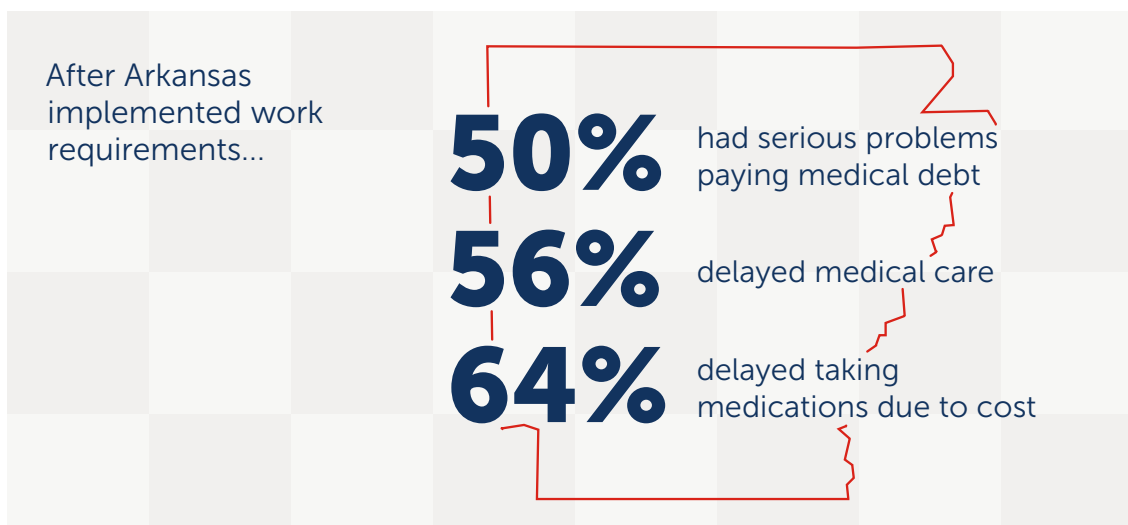
Work Requirements Reduce Access to Benefits that Promote Health and Wellbeing

Social safety net programs like SNAP, Medicaid, and guaranteed income assistance programs are beneficial to people with low incomes.

- Access to Medicaid has repeatedly and clearly been shown to be associated with [improved health outcomes](#), including reducing premature death and [fewer cases of maternal mortality](#) among people with low incomes.
- Meanwhile, [recipients of assistance](#) through guaranteed income programs have been shown to be healthier, present less depression and anxiety, and have notably enhanced wellbeing.
- [SNAP](#), which provides assistance to purchase food, reduces hunger and poverty and is linked to improved outcomes for education, health, economic security, and self-sufficiency. On the other hand, food *insecurity*—due to lack of SNAP benefits—is correlated with chronic health conditions among working-age adults.

Work requirements make it harder to join and to maintain coverage from assistance programs, while discouraging countless others from even trying to obtain assistance. The result is an exacerbation of physical, mental, and behavioral health problems that [make it more difficult](#), not easier, to [obtain or retain employment](#) that is a condition of maintaining assistance.

When [Arkansas experimented](#) with implementing work requirements in its Medicaid program, studies found that work requirements were ineffective at increasing employment. Of the 18,000 recipients who lost coverage over seven months because they could not find stable work, report their hours, or navigate red tape to claim an exemption, 50% had serious problems paying medical debt, 56% delayed medical care, and 64% delayed medication due to cost. This is not a basis upon which to apply work requirements to Medicaid nationwide.



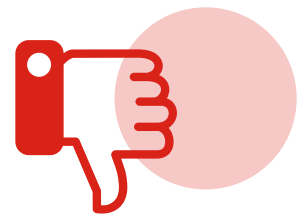
When work requirements were first introduced to TANF, a cash and social service assistance program for families with low incomes, in the [1990s](#), the participation rate among [families below the poverty line](#) declined sharply, suggesting that many families in need were unable to get assistance. Work requirements in SNAP have been [shown](#) to significantly reduce program participation, have no effect on employment, and [reduce food security and household income](#). Furthermore, work requirements in SNAP and Medicaid have been [shown](#) to adversely affect participant income, since they reduce benefits more than they increase income.

Work Requirements Don't Increase Labor Force Participation

Proponents of work requirements argue that they build self-sufficiency and lead to good, long-term jobs for recipients, eventually moving them off assistance and out of poverty. Research, however, presents a very different story. A review of the literature by the [Congressional Budget Office](#) across programs with work requirements shows that even when the requirements increase employment, they did so *only in the short term*, and some show no increase at all. Even when TANF work requirements increase employment in the short run, those effects [decline over time](#) and ultimately have little impact on long-term employment. A recent [study of SNAP beneficiaries](#) in Virginia with a very strong research design found results consistent with [many prior studies](#): work requirements led to enrollment declines and loss of benefits and did not increase labor force participation.

Furthermore, most people in programs like TANF and SNAP who can work already do so, but often the work comes with low wages and no benefits, therefore necessitating the help of these programs. In most assistance programs [evaluated](#), after five years in assistance programs, employment for those not subject to work requirements was the same as *or higher* than for recipients who were subject to them. Many who receive benefits [while they aren't working](#) are between jobs.

[Eight](#) out of 10 nondisabled, nonelderly Medicaid recipients (i.e., those who are more likely to be able to work) either work or live in a family where someone is working. Almost two-thirds live in a family with a full-time worker, and 60% are working themselves. For SNAP, [the numbers are similar](#). In a typical month of SNAP participation, most participants in households with working-age, nondisabled adults are employed, and about 74% work at some point within the year. For households with children, 75% have at least one adult working when they receive SNAP benefits, and 89% have an adult who has or will work within the year. [More than 80%](#) of SNAP working-age adult recipients are employed before or after receiving assistance.



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Red Tape Discourages Participation and Increases Costs

The administrative burdens of monitoring and enforcing work requirements are difficult on enrollees and program administrators alike. For example, TANF caseworkers must monitor and enforce work requirements by tracking every hour recipients spend on each work activity each month. Work requirements increase the financial burden on states through additional administrative costs of monitoring and enforcing work requirements and by repeatedly disenrolling and reenrolling individuals in the program.

As a result, work requirements often raise the costs of administering assistance programs instead of lowering them. The red tape and bureaucracy impacts participants as well. [Work requirements do not improve economic self-sufficiency](#) and in fact reduce benefits paid to participants. There is, however, strong data showing that Medicaid and SNAP can increase health and social outcomes later in life.

Many studies find that the red tape is often prohibitive and [strips people of vital benefits](#). [One 2021 study](#) found that work requirements in SNAP increased program exits of eligible people already receiving benefits by 23% while also discouraging many others from applying, and program participation among eligible adults fell by 53%. While work requirements may sometimes save taxpayers money, those savings are often achieved through denying benefits to otherwise eligible recipients, further embedding them into a lifetime of poverty, resulting in other societal costs.



Barriers to Employment not Addressed by Work Requirements

Many participants in social safety net programs who do not work face significant barriers to employment. For example, [nearly 76% of Medicaid enrollees](#) face significant challenges to finding and keeping a job. Some have a health limitation or live with someone who does; some do not have a high school degree; while others lack internet access or transportation to get to work. In [New York City's safety net programs](#), most recipients with significant barriers to work (two-thirds of enrollees) never found work, despite being engaged in work training and placement programs. The [vast majority remained poor](#), and many became poorer. In some programs, the share of families living in deep poverty increased as recipients subject to work requirements no longer qualified for assistance they required to meet their basic needs. Recipients subject to work requirements were more likely to be employed in the first two years in such programs, but their earnings were still not enough to lift them out of poverty, as gains in employment wages were frequently offset by reductions in cash benefits.

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- household health limitations
- no high school diploma
- lack of internet access or transportation

Work requirements also most adversely affect populations of color, who face the greatest barriers to employment. Many [systemic barriers](#) are rooted in structural racism, disproportionately affecting people of color, particularly Black people. Black job seekers who seek assistance through TANF face [discrimination](#) in employment practices that make it harder for them to find and keep jobs. As a result, Black people find it harder to get hired, have less stability at work, and are often penalized for being unable to find long-term, better-paying jobs. Furthermore, TANF's work requirements policies tend to be more restrictive and less generous in states where Black people make up a larger share of the population. For example, one [study](#) found that states where a higher share of the population is Black have more restrictive policies regarding non-compliance with work requirements in TANF. Other research shows Black people face a [greater likelihood of being sanctioned](#) for not working and are affected by biases in caseworker decision-making.



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Policy Alternatives

Work requirements do not lift people out of poverty, yet there is evidence that supports alternative programs and strategies to help people get the assistance—whether health, financial, or otherwise—that they need. Here are some ideas for the U.S. federal government to consider:

- **Support employment and training programs.** Job search assistance and subsidized employment have been [shown](#) to help people get and keep work, as has subsidized childcare.
- **Provide cash assistance.** Numerous studies demonstrate that unconditional cash assistance is a more effective tool than work requirements for increasing work participation and lifting people out of poverty. [Unconditional cash assistance](#) often makes it possible for recipients to find full-time employment voluntarily. The [increased labor force participation](#) of single mothers with increased average benefits under the Child Tax Credit was attributed to the ability to afford quality childcare with the extra assistance received. The Child Tax Credit was [found](#) to significantly reduce child poverty with no evidence of a negative employment effect. A [study](#) of a guaranteed income pilot in California showed that people continued to work when provided with unconditional cash assistance.
- **Increase access to affordable childcare,** which benefits working parents and contributes to long-term child health and development.
- **Increase the federal minimum wage** and close the pay gap between men and women and across racial groups and geographies.

The evidence is clear. Work requirements don't increase employment; they instead function to take away much-needed economic assistance and healthcare from participants with low incomes, plunging many into deeper poverty.

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