

Poking Holes in AEI's Claims about Work Requirements

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In a recent Peter the Citizen paper, “Claims about Work and Work Requirements: Keeping an Eye on AEI,” I responded to a blog post about work requirements by Angela Rachidi and Matt Weidinger of the American Enterprise Institute (AEI). I wrote:

The American Enterprise Institute (AEI) is a major source of misinformation about work requirements. Their reports often distort the empirical record, largely ignore policy details and implementation issues, and often advance untested and misguided proposals to expand work requirements in existing programs or to extend them to new programs.²

My critique provided a detailed response documenting the “misinformation” in their post. Shortly thereafter, I received an email from Rachidi indicating that I was not their audience and that “we don’t write 19 pages on the technical details because no one reads it.”³ Someone did read my 19-page paper. In “The Welfare Debate Stalling the Debt Talks,” Peter Coy of *The New York Times* examined the arguments for and against work requirements, with a focus on claims of support for “stronger” requirements by proponents at AEI and criticisms of those arguments by me – Peter the Citizen:

It’s impossible to survey all of the vast literature here, so I’ll zoom in on one mini-debate. It’s between Angela Rachidi and Matt Weidinger, senior fellows at the center-right American Enterprise Institute who favor stronger work requirements, and Peter Germanis, a self-described conservative who worked for Presidents Ronald Reagan and George H.W. Bush as well as the AEI and the Heritage Foundation but breaks from Republican orthodoxy in questioning stronger work requirements for aid recipients.⁴

Coy noted that a central argument in the Rachidi and Weidinger blog post was that “Research has shown that work requirements can increase employment levels, which benefits individuals and families.”⁵ They specifically said that “research on TANF shows that work requirements increased employment levels on average...”⁶ To support this claim, they cited two sources. The first was a study by MDRC, “which summarized the long-term effects of 11 mandatory welfare-to-work programs on welfare recipients and their children and found that ‘nearly all programs helped single parents work during more quarters of the follow-up and earn more than they would have in the absence of a program.’” They also cited a 2023 working paper from the Congressional Budget Office (CBO) that examined at the effects of a change in Alabama’s TANF work requirement. That change extended the work requirement to parents of 6-to-11-month-olds and that led “to an increase of 11 percentage points in their employment rate during the months they are in TANF.” Rachidi and Weidinger went on to assert that, “TANF’s impact on employment and the overall well-being among single-mother families suggests that the same positive effects could result from taking a similar approach in SNAP and Medicaid.”

Coy summarized my arguments with respect to the claim that research showed TANF’s work requirements as a success as follows:

In a response to Rachidi and Weidinger posted on his website, Germanis said the programs evaluated in the MDRC study began before 1996, when TANF began, so the experience with them can't be directly applied to today. Moreover, he wrote, "the results suggested small to modest impacts on employment that faded out over time and showed little impact on 'measured income' and poverty status." As for the CBO study, he said the results of that particular tweak in Alabama can't be generalized. He noted that since 1996, the year President Bill Clinton signed the welfare-to-work law, caseloads nationally fell 80 percent but employment did not rise correspondingly. "If TANF were successful in promoting employment, one would expect the number of families eligible to receive benefits (the take-up rate) to decline in tandem with the caseload itself. That's not what happened," Germanis wrote.

Rachidi's response to my paper, as quoted by Coy, was:

We can poke holes in every one of Peter's arguments. [Emphasis added.]

I emphasized Rachidi's statement, because I would welcome a substantive response to my criticisms of AEI's work in this space vs. superficial statements. I have a long history of "poking holes" in the work AEI has done with respect to TANF, welfare reform, and work requirements. I believe attention to policy details, implementation issues, and evidence is important. My views are consistent with most nonpartisan experts and researchers. This response will address some of Rachidi's criticisms (as noted in the Coy article and Rachidi's emails) and then cite other nonpartisan experts to support my arguments. If Rachidi or anyone at AEI thinks they can "poke holes" in *my* arguments, perhaps they can respond in detail to the arguments of nonpartisan experts, as well as to criticisms of TANF's work requirements from Ron Haskins, a primary drafter of the 1996 welfare reform bill and Weidinger's colleague on the staff of the Ways and Means Committee at the time.

The following "issues" are some of the main arguments described in the Coy's article. This is followed by a brief review of additional examples of misleading statements in the Rachidi and Weidinger blog post. The obvious conclusion from any objective observer should be clear – AEI's work in the welfare reform, TANF, and work requirement space is about ideology – not evidence.

Issue #1: Are the 2001 MDRC findings generalizable to TANF?

In my paper, I noted that the welfare-to-work programs cited in the 2001 MDRC report were initiated years before TANF was enacted and operated under the rules of the prior Aid to Families with Dependent Children (AFDC) rule and thus were not generalizable to TANF:

The programs evaluated began under AFDC and were very different than the kinds of programs states would have to operate to meet the standards required to count toward TANF's work participation rate. In particular, the programs didn't have TANF's 30-hour per week minimum hourly standard or its strict limits on counting education and training activities (focusing instead on a rigid work-first approach), and the target populations

were somewhat different, with TANF eliminating most exemptions in determining who counts toward a work participation rate. They also didn't operate under a block grant structure, eliminate the entitlement to assistance, involve full-family sanctions (as many state TANF programs do), or operate under other TANF rules, like the federal five-year time limit.

Despite this explanation, Rachidi sent me an email saying, "Tanf was modeled after Pre-tanf demonstrations. You should know that." This is not a substantive response. As noted below, Rachidi's (and Weidinger's) views on this and other topics are inconsistent with statements from the Congressional Research Service (CRS), the Congressional Budget Office (CBO), the Government Accountability Office (GAO), experts from MDRC and the Urban Institute, other researchers, and even Ron Haskins – Weidinger's colleague and a primary author of the TANF work requirements.

Congressional Research Service. Gene Falk of CRS on this topic:

...the findings from the pre-1996 experiments cannot be automatically applied to TANF. TANF was implemented differently than the pre-1996 experiments.⁷
[Emphasis added.]

And,

TANF differed from the piloted programs evaluated before 1996 in a number of ways that limit the automatic application of the findings from those experiments to TANF. There were differences in program rules, performance measurement, and incentives to reduce the caseload.⁸ [Emphasis added.]

In his paper, Falk elaborates on these differences and indeed adds additional ones beyond those I mentioned, such as TANF's incentive to reduce caseloads to lower a state's work participation rate target with the caseload reduction credit.

Additional statements from Falk include:

The results of the pre-1996 welfare-to-work experiments should not be confused with the impact of TANF. The experience of TANF after 1996 illustrates how policies that were evaluated in piloted experiments could differ from those actually implemented in an ongoing program. TANF itself has not been evaluated using methods similar to those used in the pre-1996 experiments.⁹ [Emphasis added.]

And,

The 50% and 90% thresholds were not informed by the findings of the pre-1996 welfare-to-work experiments—that is, they are not based on evidence from these programs. The 50% and 90% requirements implied higher rates of monthly participation than were achieved in the evaluated pre-1996 programs, even those that reported relatively large employment impacts.¹⁰

MDRC. None of the pre-1996 welfare-to-work programs came close to meeting TANF’s work participation standards. As Gordon Berlin, past president of MDRC, the firm which conducted these evaluations, observed:

None of the welfare-to-work programs evaluated by MDRC to date – even the most effective ones – would have met the standards currently in place (that is, had states received no credit for caseload reductions), primarily because too few people participated in them for at least the minimum number of hours per week.¹¹ [Emphasis added.]

Dan Bloom, a senior vice president of MDRC:

It is not straightforward to extrapolate the results described above to the current day and to different public benefits programs. The TANF program is very different now than it was in the 1990s, when the NEWWS study took place. For example, in 1996, there were about 68 families receiving TANF benefits for every 100 families with children with income below the poverty line. In 2020, the figure was 21 families. It is reasonable to assume that the characteristics of recipients may have changed substantially in the intervening years. Similarly, penalties for noncompliance with work requirements are harsher today in many states.¹² [Emphasis added.]

Congressional Budget Office. Rachidi and Weidinger cite a CBO study by Justin Falk of Alabama’s tweak to a work requirement provision as evidence of TANF’s positive employment impact, but ignore an important statement about the earlier research and its relationship to TANF:

Experiments conducted in the mid-1990s show that a combination of work requirements and work supports substantially increased the employment of cash assistance recipients in Aid to Families with Dependent Children, the predecessor program to Temporary Assistance for Needy Families (TANF) while having little effect on recipients’ average income. **There is little evidence on the effects of TANF’s work requirements**, though, and recent research on other means-tested programs demonstrates that their work requirements have had little effect on employment and have substantially reduced the number of people receiving the benefits they provide.¹³ [Emphasis added.]

Urban Institute. In a Kaiser Family Foundation event, “The Health Wonk Shop: Medicaid Work Requirements,” Rachidi made a more direct comment, saying, “Well, [for] TANF, we had randomized control trials...”¹⁴ This prompted the following response from Heather Hahn, an associate vice president at the Urban Institute:

And I first want to clarify, **we do not have any randomized control trials within TANF itself.** That evidence comes from the predecessor to TANF, the Aid for Families with Dependent Children, which was a different program. It was an entitlement program. And toward the end of that time, shortly before TANF was implemented, states obtained waivers to conduct experiments. So, we do have this really rich period of the end of AFDC of states establishing work programs and evaluating those. **Those are a different**

environment than TANF. So, we can't really compare them directly to TANF...¹⁵
[Emphasis added.]

Rachidi then backed off her earlier comment saying, "Sure, and to be clear too, TANF is a block grant. So, it gives states a lot of flexibility." As noted above and in my initial response to their blog post, the block grant difference is just one of many differences. Moreover, while the block grant itself is flexible, the rules for determining who counts toward meeting the federal work participation standards are not – unless of course states take advantage of the flexibility to game the requirements in ways Congress did not intend (and as most do and have done since TANF's inception).

Bottom-line. The results of the MDRC evaluations of the pre-TANF mandatory work programs are not generalizable to TANF's work requirements.

Issue #2: How large were the impacts on employment, income, and poverty?

Rachidi and Weidinger suggest that work requirements would have large, positive impacts on these outcomes, though they provide no specifics. My paper said, "the results [of the MDRC evaluations of mandatory work programs] suggested small to modest impacts on employment that faded out over time and showed little impact on 'measured income' and poverty status."

Congressional Research Service. Gene Falk:

The welfare reform debates that culminated in the 1996 welfare reform law occurred simultaneously with a large number of studies fielded in the 1980s and early 1990s testing work requirements and employment and education services for adult recipients of cash assistance for needy families (mostly single mothers). **The accumulated evidence showed that mandatory welfare-to-work programs – the combination of funded employment and education services with mandatory participation requirements – could achieve some limited policy goals, increase employment, and reduce welfare receipt. It also showed a policy trade-off. Mandatory welfare-to-work programs alone did not increase incomes and reduce poverty.**¹⁶ [Emphasis added.]

In terms of the size of the employment impacts:

Mandatory welfare-to-work programs often increased rates of employment and average earnings above what was observed in the absence of such programs. **The positive impact on employment and earnings was usually modest in size. Some evaluations found that the employment and earnings impacts faded with time,** so that the main effect of such programs was to accelerate entry into the workforce.

Mandatory welfare-to-work programs often resulted in lower rates of receipt of assistance (usually measured for both cash and food assistance) and lower assistance payments, on average. Additionally, **while employment and earnings impacts sometimes faded over time, the reductions in assistance payments tended to persist as a long-term impact.** Lower levels of assistance payments stemmed from both fewer recipients on the rolls and lower benefit payments as recipients worked and had earned income (though,

under AFDC rules, the time period over which a recipient could have substantial earnings and remain on the rolls was limited).¹⁷ [Emphasis added.]

And,

The welfare-to-work experiments of the late 1980s and early 1990s provided evidence that mandatory welfare-to-work programs by themselves did not increase total income (i.e., the sum of earnings and government assistance). On average, earnings tended to be low; thus, they offset, but did not exceed, the reduction in assistance. Typically, the impact on average incomes was not statistically different from \$0. Even the Portland and Riverside NEWWS programs, which had relatively large employment impacts, did not increase incomes on average over the five years.¹⁸ [Emphasis added.]

MDRC. Dan Bloom:

Most of the programs that offered employment services and required recipients to participate in them increased employment rates or earnings temporarily and reduced welfare receipt but did not make families better off financially. Focusing again on the NEWWS evaluation: In almost all the programs, people in the program group worked and earned more, on average, than people in the control group at some point over a five-year period. They also received less welfare. Most people in both groups worked sporadically in low-paying jobs, and the total amount of income from welfare and work was about the same for the two groups. In a few programs, income was actually lower for the program group. The program that produced the largest, most sustained effects within the five-year period used a mix of services, including some short-term job training. Later analysis showed that none of the programs led to long-term (that is, 10-15 years) increases in parents' employment or earnings trajectories.¹⁹ [Emphasis in original.]

Urban Institute. Heather Hahn:

And what I see from that evidence is in some cases there were modest employment increases that were temporary. So over time people who were not subject to the work requirements also found work. And over time the people who did find work also lost those jobs. So in the short term there were very modest employment increases that didn't last. And we know that the jobs they found did not lift them out of poverty. So it wasn't like these work requirements encouraged people and enabled people to get work that led to self-sufficiency, which is ultimately the goal. We do know though that while it didn't achieve self-sufficiency, it did lead to people losing benefits. And we know that decreasing cash assistance for children has long-term impacts on their educational outcomes, even their earnings as adults.²⁰

Bottom-line. As noted in the discussion of Issue #1, the findings from the MDRC evaluations are not generalizable to TANF and those results were modest at best. There are reasons to believe that TANF's work requirements have done relatively little to promote employment and

are more about cutting caseloads. This is evident in the sharp decline in the take-up rate of benefits among eligible families and a review of how states have implemented these requirements (both issues discussed in greater detail below).

One might argue that expansions in other safety net programs may now “make work pay,” but some of these benefits are available only with a delay (such as refundable tax credits) and thus not available for immediate needs. Moreover, while financial incentives may promote work, it doesn’t change the fact that the work requirements themselves have little impact on work rates.

Issue #3: Are the AFDC/TANF research findings generalizable to other programs?

Rachidi and Weidinger nevertheless argued, “However, TANF’s impact on employment and the overall well-being among single-mother families suggests that the same positive effects could result from taking a similar approach in SNAP and Medicaid.” My response to this, noted in Coy’s article, was, “it is irresponsible to generalize from one program to other programs with different funding and programmatic structures, target populations and that differ with respect to the details of work requirements themselves.”

Congressional Research Service. Gene Falk:

As Congress debates work requirements in SNAP, Medicaid, and housing assistance, there is no large accumulated research base to draw from that applies to these three programs. Given the differences in populations, presence of those in the programs who are already working, goals, and funding structures for employment and education services, **the findings of the pre-1996 welfare-to-work experiments cannot be directly applied to the current debate.**²¹ [Emphasis added.]

MDRC. Dan Bloom:

In thinking about other programs, it is important to note that the people who receive SNAP benefits and are able-bodied adults without dependents (the main focus of work requirement discussions) are, by definition, very different from adult TANF recipients, who are all parents, as is the labor market that they participate in.²² [Emphasis added.]

Ron Haskins. Even though Haskins is considered one of the “architects” of welfare reform (along with Weidinger), he argues that the TANF experience is not a model for other welfare programs:

The straightforward approach of using the TANF work requirements as a model for work requirements in other welfare programs because of their perceived “great success,” as many Republicans want to do, is flawed because the TANF work requirements have major problems.²³

And,

Examining these problems with the TANF work requirement leaves little doubt that

the TANF approach to requiring work has not proven to be an effective way to help welfare recipients prepare for or find unsubsidized work. **New attempts to strengthen the work requirement in TANF and other means-tested programs should learn from, but not follow, the TANF example.** In fact, if TANF work requirements are any example, we must find and test new ways to help welfare recipients enter employment. This conclusion is especially important because the unprecedented decline in the TANF caseload has meant that there are now many more families living in poverty, and even deep poverty (below half the poverty level), that do not receive a cash benefit.²⁴ [Emphasis added.]

Bottom-line. Given the many differences between TANF vs. SNAP, Medicaid, and other welfare programs, it would be a mistake to assume the results of the former would apply to other programs. The more responsible approach would be to test work requirements on a smaller scale and evaluate them using a randomized control trial. However, even a cursory review of how TANF’s work requirements were implemented would, in Haskins’ words, reveal that they have “major problems.”

Issue #4: Did individuals and families benefit from work requirements?

Rachidi and Weidinger said, “Research has shown that work requirements can increase employment levels, which benefits individuals and families.” While employment certainly benefits families, the issue is whether work requirements lead to increased employment levels and, if they do, whether the increase in employment outweighs possible negative impacts.

Congressional Research Service. Gene Falk:

In the early years of TANF, before FY2000, caseload reduction was accompanied by reductions in child poverty and increases in work among single mothers. However, since 2000 caseloads have generally continued to decline (except for a brief increase associated with the 2007 to 2009 recession), even in periods when child poverty and the number of families who met TANF financial eligibility rules increased.²⁵

And,

The cash assistance caseload decline has been seen as one of the prime indicators that TANF made progress in achieving the goal of ending the dependence of needy families on government benefits. However, **most of the caseload decline has resulted from a decline in the rate at which people eligible for assistance actually receive benefits, rather than a decline in the population in need.** In 2015, 18.0 million people were eligible for TANF assistance, but 4.9 million (27%) received it.²⁶ [Emphasis added.]

Government Accountability Office (GAO). The GAO from 2010:

The decline in the number of poor families receiving cash assistance from 1995 to 2005 reflects declines in both the number of eligible families and in eligible families’ participation. The strong economy of the 1990s, TANF’s focus on work, and other

factors contributed to increased family incomes and a decline in the number of eligible families. However, **most of the caseload decline – about 87 percent – resulted from fewer eligible families participating in the program, perhaps in response to TANF work requirements, time limits, and sanction and diversion policies.**²⁷ [Emphasis added.]

Urban Institute. Researchers at the Urban Institute also report a sharp decline in the TANF take-up rate among eligible families (calculated using the TRIM microsimulation model), from 79 percent in 1996 to 21 percent in 2019.²⁸

Bottom-line. If work requirements were the tremendous success that Rachidi and Weidinger suggest, why are there 2-3 million additional families with incomes low enough to qualify for TANF (compared to 1996) who don't receive it? (The number varies by year and economic conditions.) How is this a benefit to poor families?

Issue #5: Did the NEWWS findings influence the design of TANF?

As noted above, Rachidi's email asserts that "Tanf was modeled after Pre-tanf demonstrations." With respect to work requirements, TANF's requirements are very different and substantially harsher than those tested under AFDC. Moreover, the findings from most of NEWWS evaluations weren't published until after enactment of the 1996 law, so they couldn't have informed the design of TANF's work requirements.

With respect to the design of TANF itself, there was no evidence that a block grant structure was a better financing mechanism or that many of the federal requirements in the law were effective, e.g., the 5-year time limit. In addition, TANF replaced an evidence-based approach to reform, as waivers to AFDC rules were conditioned on a rigorous evaluation, generally a randomized control trial, so we would learn whether specific policy choices were effective. TANF is a blank check with little accountability; very little has been learned about the impact of policy choices, including work requirements. One would think a "think tank" that espouses "evidence-based policymaking" would have appreciated this feature, but that's not the case with AEI.

The pre-TANF waiver process built the political, not empirical, support for TANF, including its work requirements, as governors did not like seeking permission for waivers and did not seem interested in investing the resources necessary to conduct rigorous evaluations.

Congressional Research Service. Gene Falk:

The studies discussed here were initiated before 1996. However, **many of the evaluations were not published until well after the enactment of the 1996 welfare reform law.**²⁹ [Emphasis added.]

Ron Haskins. In a 2018 working paper for the Mercatus Center, Haskins wrote:

...having been involved in writing the TANF legislation, **I would assert that many of the specific work standards in TANF were guesses – guesses informed by a desire**

among Republicans to fashion a demanding work program, which may have caused them to err on the side of tough requirements.³⁰ [Emphasis added.]

Basing policy on “guesses” is not modeling them on the “pre-TANF demonstrations” as Rachidi asserts. Policy should be based on facts and evidence, not guesswork, particularly when dealing with some of the nation’s poorest and most vulnerable families.

Bottom-line. TANF’s work requirements bear little resemblance to the welfare-to-work programs evaluated in the NEWS evaluation. Moreover, even if they did, the results published five years after TANF’s enactment are hardly a ringing endorsement.

Issue #6: Ignoring implementation issues.

Rachidi and Weidinger regularly ignore how TANF and its work requirements have been implemented, particularly how many states use TANF as a slush fund. In terms of the work requirements, they ignore how unreasonable they are for recipients (and how states have used them nevertheless to push families off the rolls or keep them from coming on) and how unrealistic they are for states (and how so many game them). A careful look at the record would show they are not about engaging families in work. A full description of the dysfunctional nature of these requirements is beyond the scope of this response, but available elsewhere.³¹

Congressional Research Service. Gene Falk:

Under TANF, most states have met their minimum work participation standards through either caseload reduction and/or assisting families with earnings. In FY2016, less than one-fourth of nonemployed adult recipients were reported by states as engaged in welfare-to-work activities, a proportion that is similar to most years of TANF (over the FY2002-FY2016 period, the highest percentage of nonemployed individuals reported as engaged in activities was 27%).³²

And,

The 50% and 90% targets are aspirational, rather than evidence-based. They were not selected based on success rates of past programs in moving recipients from assistance to work. **They call for higher participation rates than what evaluated pre-1996 programs achieved, including the most successful of those programs. Even so, the standard has mostly been met, though usually by means other than engaging recipients in activities. That is, states might be “hitting the target, but missing the point.”**³³ [Emphasis added.]

Haskins acknowledges many of TANF’s failures, including the fact that many states fail to engage families in welfare-to-work activities and instead rely on loopholes:

States have had two decades of experience with TANF, but many are still avoiding the requirements. I would rather see a modest work requirement in terms of the percentage

and number of hours that the caseload must work than a strict requirement that drives states to look for loopholes.³⁴

Bottom-line. Work requirements *might* be a useful policy tool, but they should be reasonable for recipients, realistic for states, and based on credible evidence about what actually help families. That’s not the policy environment we live in today and the “scholars” at AEI regular undermine evidence-based policymaking.

Issue #7: Is Alabama’s “tweak” of the TANF age exemption a basis for claiming TANF’s work requirements are a success?

Aside from the ideologues at AEI, there is no credible organization, including the CBO, would make such a claim. But, Scott Winship, a senior fellow and director of AEI’s Center on Opportunity and Social Mobility, in responding to the CBO study did:

Welfare reform may have reduced poverty more than the counterfactual world where we still have AFDC.³⁵

As I noted in my initial response, the CBO finding was not based on a randomized control trial,, was limited to a very small segment of the TANF caseload (parents with a child 6 to 11 months old), and was studied more than two decades after TANF was enacted when the caseload had fallen more than 80 percent. Aside from providing no information on the poverty impacts, the CBO study is no basis for making broad claims about welfare reform.

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Other Misleading Claims in the Rachidi/Weidinger Blog

In my critique, I pointed out a number of other misleading statements; I would welcome a substantive response from Rachidi “poking holes” in any of these criticisms as well vs. vague and unsupported superficial statements.

Is the evidence on the SNAP ABAWDs work requirement (time limit) “mixed”? In her email to me responding to this point, Rachidi said, “And abawds research is mixed, if you are being an honest reviewer of the research.”

In my paper, I cited the same studies (and one additional one) that Rachidi and Weidinger had pointed to. Two found positive employment effects and four found no employment effects, but even the two with some positive findings reported that the employment impacts paled in comparison to the negative caseload effects, suggesting (and in some cases finding) negative outcomes on other impacts. As an “honest reviewer” I cited all of the studies mentioned by Rachidi. I also took the time to look at the magnitude of the findings and possible adverse consequences – something Rachidi did not do.

Is the record really “mixed”?

Urban Institute. Heather Hahn:

And in the SNAP program we do have a growing body of research. There's a recent CBO report and also Urban [Institute] work showing that that time limit on able-bodied adults without dependence does not lead to meaningful increases in employment and does substantially reduce SNAP participation.³⁶

CBO.

...work requirements in SNAP and Medicaid have reduced benefits more than they have increased people's earnings.³⁷

Bottom-line. If Rachidi is being an "honest reviewer," she should acknowledge that most studies of the SNAP work requirement for ABAWDs find no effect and a few find a small effect, but all find a large, negative caseload effect. The loss of SNAP benefits for these very poor individuals may be of little concern to Rachidi, but the caseload effect should be considered by those who care about the overall well-being of policies affecting very poor individuals.

Is the evidence regarding Medicaid work requirements "mixed"? For the verdict still being out on Medicaid, Rachidi and Weidinger cited a fundamentally flawed report from the Buckeye Institute claiming that Medicaid work requirements would significantly increase beneficiaries' work hours and lifetime earnings:

Increase lifetime earnings by \$212,694 for women and \$323,539 for men – even assuming that the individual remains on Medicaid for their entire working life.

The authors of that report went even further suggesting that some "may earn close to \$1 million more over the course of their working years." The magnitude of these findings has no precedent in the literature on work requirements and basically reflects figures the authors made up based on a variety of unsupported assumptions. Notably no credible organization has cited this report in the debate about work requirements – only AEI and others who base conclusions on ideology over evidence. And, even if the report's findings were credible, it's hard to see how this report suggests the evidence is "mixed" as it indicates that Medicaid work requirements would be wildly successful.

Meanwhile, Rachidi and Weidinger ignore two reports from more credible, peer-reviewed sources, one published in *The New England Journal of Medicine* and another in *Health Affairs* suggesting the experience in Arkansas suggested no employment impact, but large numbers losing health benefits.

New England Journal of Medicine. The study's authors concluded:

Using a timely survey involving low-income adults in Arkansas and three comparison states, we found that **implementation of the first-ever work requirements in Medicaid in 2018 was associated with significant losses in health insurance coverage in the**

initial 6 months of the policy but no significant change in employment.³⁸ [Emphasis added.]

Health Affairs. The study's authors concluded:

First, most of the Medicaid coverage losses in 2018 were reversed in 2019 after the court order. Second, **work requirements did not increase employment over eighteen months of follow-up.** Third, people in Arkansas ages 30–49 who had lost Medicaid in the prior year experienced adverse consequences: 50 percent reported serious problems paying off medical debt, 56 percent delayed care because of cost, and 64 percent delayed taking medications because of cost. These rates were significantly higher than among Arkansans who remained in Medicaid all year.³⁹ [Emphasis added.]

Congressional Budget Office. Justin Falk:

States' limited experience with work requirements in Medicaid indicates that they cause a substantial portion of adults who are not exempt from them to lose coverage, and **they appear to have little effect on employment.**⁴⁰ [Emphasis added.]

Bottom-line. The evidence is not mixed. The best evidence suggests no employment impact and large negative effects on health care coverage. One can argue that there is insufficient evidence to make firm conclusions about a Medicaid work requirement because there are no randomized control trials or other rigorous evaluations. Either way, it is irresponsible to recommend imposing Medicaid work requirements on a national scale without better evidence.

Are public opinion polls a reliable source of information when important policy details and research findings are not provided? AEI has a history of misusing public opinion polls to advance misguided work requirement proposals. Many Americans may support the concept of work requirements *generally*, but the problem with using a simple survey question to judge public opinion is that policy details matter. If the public understood how some of the current requirements worked in practice and were provided an objective assessment of the evidence regarding their effectiveness, the results might be very different. Consider the following wording for TANF's work requirements:

- Do you support work requirements that require a single mother with a school-age child to participate 130 hours per month in exchange for a cash benefit of as little as \$234 (or \$1.80 per hour)? (The \$234 is the maximum benefit in 2022 for a family of two in Missouri – home state to Rep. Jason Smith, Chairman of the House Ways and Means Committee.)

My original response to Rachidi and Weidinger provided a number of other examples as well. In my own informal polling, I have found many people who support work requirements, but once more specifics are provided, they no longer support the kinds of requirements AEI and other ideologues promote.

Bottom-line. Many Americans support work requirements, but most would want such requirements to be reasonable for recipients, realistic for states to meet, and about connecting low-income individuals to work. That's not what the TANF and SANP ABAWDs work requirements do and certainly not what would be the case under the proposed work requirement proposals described in the Rachidi and Weidinger blog post. There is a big difference between finding out what the American public believes, in general, and writing effective legislation to put those ideals into effect.

Are all welfare reform bills the same? Rachidi and Weidinger also claimed that the “pro-work TANF provisions in this proposal” [referring to the initial Ways and Means proposal for the debt-limit bill] are the same as those in the 2018 House Ways and Means legislation – the JOBS for Success Act. I pointed out that this was factually inaccurate. Rachidi responded by email saying, “And 2018 bill was a very different bill but included closing loopholes.”

When someone says “are the same” that suggests the specifics of the legislation are indeed “the same.” The two bills were very different. The 2018 legislation replaced TANF’s existing work requirements with a focus on work outcomes. The 2023 legislative proposal tinkered around the edges, modifying the caseload reduction credit and dealing with the “small checks scheme.” They are not remotely comparable. Rachidi also seems to be unaware of the fact that other conservatives torpedoed this bill, leading to a very different bill later in the year.

Conclusion

Scott Winship recently responded to a tweet from someone who expressed support for a child allowance. He suggested that person may be “ideologically blinded” or a “bad faith actor.”⁴¹ Instead of worrying about the motives of others, he might do better by looking in the mirror and at the work his own organization posts.

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- ¹ The views in this document reflect my own as a citizen and do not reflect the views of any organization I am now or have ever been affiliated with. By way of background, I am a conservative and have worked on welfare issues for the Heritage Foundation, the American Enterprise Institute, and the White House under both President Reagan and President George H.W. Bush. This paper assumes the reader has a basic understanding of the TANF program, but for those readers who want more context and background, see Peter Germanis, *TANF is Broken! It's Time to Reform "Welfare Reform" (And Fix the Problems, Not Treat their Symptoms)*, July 25, 2015 draft, available at: <http://mlwiseman.com/wp-content/uploads/2013/09/TANF-is-Broken.072515.pdf>.
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- ¹⁸ *Ibid.*, p. 5.
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