Kentucky Seeks to Impose Mandatory Job Assistance for Medicaid

Jul 10, 2025, 4:19 PM EDT – Bloomberg Government



Ganny Belloni Reporter

- Waiver would move able-bodied adults to placement program
- Program would begin within 18 to 24 months of federal approval

Kentucky is aiming to become the first state that will automatically ferry certain Medicaid beneficiaries to a job placement assistance program, according to a Medicaid <u>waiver</u> application announced Thursday.

The announcement comes after passage this year of US Republican lawmakers' sweeping <u>tax law</u> and Kentucky's <u>House Bill 695</u>, which both introduced mandatory work reporting requirements for Medicaid recipients who make over 100% of the federal poverty level, or \$15,650 per year.

Under the plan, Kentucky aims to require these adult beneficiaries without dependents who have been enrolled in Medicaid for more than one year to either work or participate in qualifying community engagement activities.

Although Montana previously had introduced a similar voluntary work support program, Kentucky's program is unique because it establishes an automatic process for referring individuals to these work assistance programs, said Allie Gardner, a senior policy analyst at the Center on Budget and Policy Priorities.

Kentucky is seeking a five-year trial period under what's known as a Section 1115 special demonstration waiver. The waivers allow states to experiment with initiatives that forgo certain statutory requirements of Medicaid if the Centers for Medicare & Medicaid Services finds that the initiative promotes the program's objectives.

According to Gardner, this waiver was sought because the state plans to require Medicaid beneficiaries to provide a signature authorizing their information to be referred to another state agency— the Department of Workforce Development—which will then reach out to members for participation in a job placement assistance program.

"This application seeks to build upon Kentucky's ongoing efforts to support individuals in gaining economic stability through linkages with educational and job assistance programs," Kentucky Gov. Andy Beshear said in his letter to US Health and Human Services Secretary Robert F. Kennedy Jr.

Kentucky's Medicaid program said the program should be operational within 18 to 24 months of approval.

To contact the reporter on this story: Ganny Belloni at gbelloni@bloombergindustry.com

To contact the editors responsible for this story: Brent Bierman at bbierman@bloomberglaw.com; Zachary Sherwood at zsherwood@bloomberglindustry.com