

Judge declines to block strict work rule for sick patients on Medicaid

The case challenging Mehmet Oz's "faithfulness to Congressional intent" will continue.



Medicare and Medicaid Administrator Mehmet Oz was the lead defendant in Democratic states' challenge to work requirements for people on Obamacare's Medicaid expansion. (Photo by Tierney L. Cross/Getty Images) | Getty Images

By [ALICE MIRANDA OLLSTEIN](#)

07/30/2026 10:02 AM EDT

A federal judge has declined to stop the Trump administration from requiring that chronically ill Medicaid patients prove that they are physically unable to work in order to keep their insurance.

While the underlying case against the policy can continue, [the ruling](#) leaves the work requirement for low-income people on the program in place as states rush to meet a Jan. 1 implementation deadline.

Dozens of Democratic state officials [sued over the policy](#), arguing that they are suffering irreparable harm by [having to shell out millions](#) to hire staff and set up new technology systems to verify which Medicaid patients are “medically frail” enough to qualify for an exemption.

Judge Richard J. Stearns, a Bill Clinton appointee, said late Wednesday night that's not enough of a reason to block the rules before they take effect, citing the provision in Republicans' One Big Beautiful Bill Act that requires the federal government to cover 90 percent of states' implementation costs. And as for the "tight timeline" the states complain of, he added, that was set by Congress, not the Trump administration health officials they decided to sue.

"There is a certain point at which damages fail to justify the issuance of such an extraordinary measure," he wrote. "Plaintiffs have not shown that their damages rise above that minimal threshold."

The judge, however, denied the states' injunction request without prejudice, meaning they can request an injunction again in the future if new evidence of harm arises as they implement the work requirement. He also stressed that their challenge may prevail down the road, noting that the case "presents difficult issues" and raises questions about Centers for Medicare and Medicaid Services Administrator Mehmet Oz's "faithfulness to Congressional intent" when he wrote a stricter medical frailty rule than what Congress passed.

The Trump administration, which is counting on the work requirements to cut millions of people from the Medicaid rolls and free up hundreds of billions in federal funds over the next decade, is expected to keep defending the policy as these arguments on the merits proceed. That means states must prepare for the Jan. 1 implementation deadline. Amid [widespread confusion](#) among state officials about how to determine who is too sick to work, volunteer or complete other "community engagement" activities for at least 80 hours each month, [some state health departments are telling their residents](#) that tens of thousands of people who get their insurance through Obamacare's Medicaid expansion may need to present a doctor's note to maintain their coverage.

That potential burden on already over-stretched physicians has alarmed the medical community, prompting several groups to plead with courts and federal agencies to stop the rule from taking effect.

America's Physician Groups — a lobby arm representing more than 260,000 doctors and other clinicians — wrote to the CMS this week [warning that](#) the "extremely harmful" rule will force physicians to "sit as judge and jury on their [sick Medicaid patients'] ability to work" and "violate nearly every core principle of medical ethics." Other powerhouse medical groups, including the American Medical Association, [wrote to the Boston judge hearing the states' lawsuit](#) to lend their support for the injunction request.

The AMA said in its friend-of-the-court brief that the rule is "likely to undermine physician-patient relationships, interfere with patient care, and unnecessarily add to the paperwork burden on patients and physicians." Forcing doctors to spend their limited time assessing people's ability to work, something they are not trained to do, will eat into the time they have to treat patients, the group added.