

May 30, 2025

Secretary Robert F. Kennedy, Jr.
U.S. Department of Health and Human Services
200 Independence Ave, S.W.
Washington, DC 20201

Re: Georgia “Pathways to Coverage” Extension Request

Dear Secretary Kennedy,

The undersigned organizations appreciate the opportunity to comment on Georgia’s “Pathways to Coverage” section 1115 demonstration extension request.¹ Georgia is seeking to extend approval of its “Pathways to Coverage” demonstration for another five years.

The demonstration currently provides coverage for adults with incomes at or below the poverty line who meet an 80-hour per month work reporting requirement. Implementation of the demonstration to date has made clear that Pathways does not meet the statutory requirement for a section 1115 demonstration to promote the objectives of Medicaid – which is to furnish health care coverage for low-income Americans. Current enrollment is only about 7,000 as the program reaches two years, a paltry fraction (around 10 percent) of the up to 64,336 individuals the state initially projected to be enrolled throughout the lifetime of the demonstration.²

As of March 2024, Pathways had cost taxpayers at least \$26 million, with more than 90% going towards administrative and consulting costs.³ By comparison, only 4% of state and federal spending goes to Georgia’s overall Medicaid program administration which raises significant questions about inefficient uses of federal and state funds for the Pathways program.⁴ This is especially true given the widespread reporting and evidence of large profits going to private consultants related to the state’s demonstration.⁵ The Pathways program has been costly, inefficient, and administratively burdensome, while being woefully inadequate in providing access to health care for low-income Georgians. **Therefore, we urge you to reject this extension request.**

¹ Georgia Department of Community Health, “Georgia Section 1115 Demonstration Waiver Extension Request,” April 28, 2025, <https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/ga-pathway-pa-04282025.pdf>.

² GeorgiaPathways.org “Data Tracker,” Accessed May 21, 2025), <https://www.georgiapathways.org/data-tracker>; Center for Medicare and Medicaid Services, “Georgia Pathways to Coverage Approval Letter & Standard Terms and Conditions,” October 15, 2020, <https://www.medicaid.gov/Medicaid-CHIPProgram-Information/By-Topics/Waivers/1115/downloads/ga/gapathways-to-coverage-ca.pdf>.

³ Andy Miller and Renuka Rayasam, “Georgia’s Medicaid Work Requirements Costing Taxpayers Millions Despite Low Enrollment,” KFF Health News, March 20, 2024, <https://kffhealthnews.org/news/article/georgia-medicaid-work-requirements-experiment-high-cost-low-enrollment/>.

⁴ Medicaid and CHIP Payment and Access Commission, “Exhibit 16. Medicaid Spending by State, Category, and Source of Funds, FY 2023,” December 2024, <https://www.macpac.gov/wp-content/uploads/2024/12/EXHIBIT-16.-Medicaid-Spending-by-State-Category-and-Source-of-Funds-FY-2023.pdf>.

⁵ Andy Miller and Renuka Rayasam, “Georgia’s Medicaid Work Requirements Costing Taxpayers Millions Despite Low Enrollment,” KFF Health News, March 20, 2024, <https://kffhealthnews.org/news/article/georgia-medicaid-work-requirements-experiment-high-cost-low-enrollment/>; “Georgia Pathways Public Awareness Campaign,” Agreement between Georgia Department of Community Health and Deloitte Consulting, LLP, July 2024, https://ccf.georgetown.edu/wp-content/uploads/2024/11/Pathways-PAC-SOW_07-08-2024-DCH-to-Deloitte-7-11-24_clean-2-1.pdf.

Despite proposed changes, the demonstration remains flawed and poses special barriers for individuals with disabilities and families in Georgia.

While the elimination of premiums is commendable given the research on how they create barriers to coverage⁶ and the move to less than monthly compliance checks will reduce state administrative costs and burdens on individuals, the result of the demonstration would not be meaningfully different. Recent reporting by Georgia indicates that the state has not even started conducting compliance audits or terminating individuals due to noncompliance with the work reporting requirement, showing that the state's move to less than monthly compliance checks would do little to increase enrollment in the demonstration.⁷ The changes the state is proposing to the demonstration also do nothing to reduce the difficulties people face getting into the Pathways program at application. Despite the proposed changes, the essential features of the demonstration remain the same.

Work requirements create red tape barriers to accessing and maintaining coverage, resulting in coverage losses, without actually supporting work. Research has consistently shown that work requirements fail to promote employment.⁸ In fact, access to Medicaid coverage is supportive of finding and maintaining work.⁹ Individuals who lose Medicaid benefits from not meeting the work requirement or who lose coverage due to the red tape of documenting an exemption or reasonable modification would have reduced access to medical care and greater unmet health care needs, resulting in adverse health effects.¹⁰

The steps that people will have to take to demonstrate that they are in compliance with the work requirement when enrolling in Pathways, when subject to midyear random audits, and at renewal remain unclear. The proposal says, "The State has established opportunities to use electronic sources and automation to support identification and verification of qualifying hours and activities and continues to explore additional options."¹¹ The proposal also states, "Reporting at initial application

⁶ Samantha Artiga, Petry Ubrri, and Julia Zur, "The Effects of Premiums and Cost Sharing on Low-Income Populations: Updated Review of Research Findings," KFF, June 1, 2017, <https://www.kff.org/medicaid/issue-brief/the-effects-of-premiums-and-cost-sharing-on-low-income-populations-updated-review-of-research-findings/>; Madeline Guth, Meghana Ammula, and Elizabeth Hinton, "Understanding the Impact of Medicaid Premiums & Cost-Sharing: Updated Evidence from the Literature and Section 1115 Waivers," KFF, September 9, 2021.

⁷ Centers for Medicare and Medicaid Services, "Georgia Pathways to Coverage Section 1115 Demonstration Monthly Monitoring Report Workbook," submitted on November 30, 2024.

⁸ Congressional Budget Office, "Work Requirements and Work Supports for Recipients of Mean-Tested Benefits," June 9, 2022, <https://www.cbo.gov/publication/57702>; LaDonna Pavetti, "TANF Studies Show Work Requirements Proposals for Other Programs Would Harm Millions, Do Little to Increase Work," Center on Budget and Policy Priorities, November 2018, <https://www.cbpp.org/sites/default/files/atoms/files/11-13-18tanf.pdf>; Benjamin Sommers, et al., "Medicaid Work Requirements In Arkansas: Two-Year Impacts on Coverage, Employment, and Affordability of Care," <https://www.healthaffairs.org/doi/10.1377/hlthaff.2020.00538>.

⁹ Madeline Guth, Rachel Garfield, and Robin Rudowitz, "The Effects of Medicaid Expansion under the ACA: Studies from January 2014 to January 2020," KFF, May 17, 2020, <https://www.kff.org/report-section/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review-report/>; Larisa Antonisse and Rachel Garfield, "The Relationship Between Work and Health: Findings from a Literature Review," KFF, August 7, 2018, <https://www.kff.org/medicaid/issue-brief/the-relationship-between-work-and-health-findings-from-a-literature-review/>.

¹⁰ Larisa Antonisse and Rachel Garfield, "The Relationship Between Work and Health: Findings from a Literature Review," KFF, August 7, 2018, <https://www.kff.org/medicaid/issue-brief/the-relationship-between-work-and-health-findings-from-a-literature-review/>.

¹¹ Georgia Department of Community Health, "Georgia Section 1115 Demonstration Waiver Extension Request," Page 24.

and on an annual basis thereafter will continue to include a member’s self-attestation of qualifying activity hours, accompanied by self-documentation such as a pay stub or transcript or verification through an electronic interface.”¹² These two statements, along with the rest of the state’s application, do little to explain how the state will use data matching and annual compliance checks to confirm individuals are meeting the work requirement and what additional steps will be necessary for enrollees to demonstrate compliance if these checks fail. The Pathways program will continue to confuse enrollees, discourage potentially eligible individuals from applying for coverage, create unnecessary administrative burdens that can cause eligible people to lose coverage, and strain state eligibility systems.¹³

The proposal falls short for individuals with disabilities.

Medicaid work requirements are particularly harmful for individuals with disabilities, who face additional barriers to working, including challenges with accessibility and discrimination.¹⁴ The demonstration would continue its current policy of not identifying or providing automatic exemptions for many individuals with disabilities. People with disabilities are enrolled across age groups and Medicaid eligibility categories. In fact, in Georgia, 58% of Medicaid enrollees with disabilities are not in an Supplemental Security Income (SSI) related category, and wait times for receiving an initial eligibility determination for SSI (an average of seven months, as of February 2025) are likely to increase given recent staff cuts at the Social Security Administration.¹⁵ There are many individuals with a disability in Georgia that fall within the income eligibility threshold for Pathways, but the demonstration does little to accommodate the barriers faced by this population.

The Pathways program requires that applicants prove they are meeting the work requirement to be enrolled in coverage; however, lack of access to health care is a barrier to being able to work for low-income individuals, particularly those with disabilities.¹⁶ At application, an individual with a disability may request a reasonable modification if they need assistance in meeting qualifying activities, but there is no information in the renewal application about what a “reasonable” modification looks like, or what standards an applicant would still be required to meet under this modification.¹⁷

Furthermore, it is clear that Georgia does not have the resources to assess and provide individual accommodations for any applicant or enrollee. Application backlogs plague Georgia’s Medicaid

¹² Georgia Department of Community Health, “Georgia Section 1115 Demonstration Waiver Extension Request,” Page 28.

¹³ Margaret Cooker, “He Became the Face of Georgia’s Medicaid Work Requirement. Now He’s Fed Up With It.” ProPublica, May 14, 2025, <https://www.propublica.org/article/georgia-medicaid-pathways-brian-kemp-luke-seaborn-testimonial-video>.

¹⁴ David Machledt, “Unfit’ to Work? How Medicaid Work Requirements Hurt People with Disabilities,” National Health Law Program, December 2024, https://healthlaw.org/wp-content/uploads/2024/12/Machledt_NHeLP_WorkRequirementsandPeoplewithDisabilities_12172024.pdf.

¹⁵ Alicia Burns and Sammy Cervantes, “5 Key Facts About Medicaid Coverage for People with Disabilities,” KFF, February 2025, <https://www.kff.org/medicaid/issue-brief/5-key-facts-about-medicaid-coverage-for-people-with-disabilities>.; Jack Smalligan and Adriana Vance, “Downsizing Staff Will Make It Harder to Receive Social Security Payments,” Urban Institute, February 2025, <https://www.urban.org/urban-wire/downsizing-staff-will-make-it-harder-receive-social-security-payments>.

¹⁶ Medicaid and CHIP Payment and Access Commission, “The Role of Medicaid in Supporting Employment,” July 2018, <https://www.macpac.gov/wp-content/uploads/2018/07/The-Role-of-Medicaid-in-Supporting-Employment.pdf>.

¹⁷ Georgia Department of Community Health, “Georgia Section 1115 Demonstration Waiver Extension Request,” Page 13.

system. Data from December 2024 shows that 21% of Medicaid MAGI applications in Georgia were processed after the 45-day standards – one of the worst rates in the country.¹⁸ While the state has made progress in addressing its application backlog, which was between 40-50% earlier in 2024,¹⁹ this data indicates a backlog and that eligibility workers are having difficulty keeping up with workload. Rather than use resources to bolster Georgia’s administrative capacity to support all individuals applying for or enrolled in Medicaid (67% of whom are children), the state has committed to using \$10.7 million for an advertising and outreach campaign for the Pathways program, again raising questions about inefficient uses of state funds.²⁰

The proposal will harm Georgia families.

The Pathways program creates barriers to maintaining and/or obtaining coverage for parents with dependent children. Although the state is proposing to add an exemption for parents and legal guardians of children under the age of six, this does not address the realities of parenting school-age or adolescent children, which may require variable or seasonal work schedules that would not meet the 80-hour per month requirement. Parents often need to miss work to take care of a sick child, and parents of children with chronic or serious health conditions may face even more challenges maintaining a job. While a parent may have more flexibility to work during the school year, they may face difficulties working during holiday or summer breaks. The proposal may effectively force parents to choose between losing their health coverage or finding child care for their children while they pursue work, even if they prefer to care for their children and/or the cost of child care is cost-prohibitive. In Georgia, the average cost of child care for a school-age child in 2022 ranged from \$2,860 to \$4,264 annually (12 percent and 19 percent, respectively, of income for a family of three earning 100 percent of the federal poverty level).²¹ These child care challenges, among others, would prevent many parents from meeting the work requirement, leaving them uninsured.²²

Parental coverage loss harms their children as well. For low-income families, one member being uninsured exposes the entire family to grave financial risk from medical debt and even bankruptcy.²³ Additionally, ample evidence has found that children are more likely to have coverage and better health when their parents are insured.²⁴ CMS should require Georgia to implement an automatic

¹⁸ Center for Medicare and Medicaid Services, “December 2024: Medicaid and CHIP Eligibility Operations and Enrollment Snapshot,” pg. 30, <https://www.medicaid.gov/resources-for-states/downloads/eligib-oper-and-enrol-snap-december2024.pdf>.

¹⁹ Georgetown University Center for Children and Families, “How many people are applying or reapplying for Medicaid” Accessed May 2025, <https://ccf.georgetown.edu/2024/01/26/medicaid-application-data/>.

²⁰ Ariel Hart, “Kemp commits \$10.7M to advertise Pathways Medicaid program for Georgia’s poor,” *The Atlanta Journal-Constitution*, August 20, 2024, <https://www.ajc.com/news/health-news/kemp-commits-107-million-to-advertise-pathways-medicaid-program/3JNOFMZSTJEPVCVIP6B4QJVMQA/>.

²¹ Department of Labor, Women’s Bureau, “The Price of Child Care by County,” Updated March 2025, <https://public.tableau.com/app/profile/women.s.bureau.department.of.labor/viz/CountyFactsheets/Childcareinthecounties>.

²² Gina Adams, et. al., “Child Care Challenges for Medicaid Work Requirements,” Urban Institute, September 2019, available at: https://www.urban.org/sites/default/files/publication/101094/medicaid_work_reqs_child_care.pdf.

²³ Lunna Lopes et al., “Health Care Debt in the U.S.” *The Broad Consequences of Medical and Dental Bills*,” KFF, June 2022, <https://www.kff.org/report-section/kff-health-care-debt-survey-main-findings>.

²⁴ Julie L. Hudson and Asako S. Moriya, “Medicaid Expansion for Adults Had Measurable ‘Welcome Mat’ Effects on Their Children,” *Health Affairs*, Vol. 36(9), September 2017, available at <https://doi.org/10.1377/hlthaff.2017.0347>; Jessica Schubel, “Expanding Medicaid for Parents Improves Coverage and Health for Both Parents and Children,”

exemption for all parents with children under the age of 19 if the agency chooses to extend this highly problematic policy.

Pathways continues to include other harmful limits that do not promote the objectives of Medicaid.

Georgia's proposal continues to limit retroactive eligibility and the non-emergency medical transportation (NEMT) benefit for demonstration enrollees. The continued limitation of retroactive coverage is likely to result in increased uncompensated care for Medicaid providers and unaffordable medical bills for patients, while eliminating coverage for NEMT will reduce access to care. Lack of transportation can result in people missing or delaying care, especially for those in rural areas who may have to travel farther to access the services they need.

Conclusion

Our comments include numerous citations to supporting research, including direct links to the research, for HHS's benefit in reviewing our comments. We direct HHS to each of the studies cited and made available to the agency through active hyperlinks, and we request that the full text of each of the studies cited, along with the full text of our comments, be considered part of the administrative record in this matter for purposes of the Administrative Procedure Act.

Thank you for your willingness to consider our comments. If you need any additional information, please contact Joan Alker (joan.alker@georgetown.edu) or Allison Orris (aorris@cbpp.org).

Autistic Self Advocacy Network
Caring Across Generations
Center on Budget and Policy Priorities
Community Catalyst
Cystic Fibrosis Foundation
Families USA
Georgetown University Center for Children and Families
Justice in Aging
Medicare Rights Center
National Association of Pediatric Nurse Practitioners
National Multiple Sclerosis Society
The American College of Obstetricians and Gynecologists

Center on Budget and Policy Priorities, October 2020, <https://www.cbpp.org/research/health/expanding-medicaid-for-parents-improves-coverage-and-health-for-both-parents-and>; Rebekah Levine Coley, "Parents' and Caregivers' Health Insurance Supports Children's Healthy Development," Society for Research in Child Development, June 2019, <https://www.srkd.org/research/parents-and-caregivers-health-insurance-supportschildrens-healthy-development>.