

PLYMOUTH INSTITUTE FOR FREE ENTERPRISE

## WELFARE WORK REQUIREMENTS

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**TOPLINE:** The One Big Beautiful Bill (OB3) imposed new work requirements and expanded existing ones for able-bodied adults in the two largest state-administered federal welfare programs (Medicaid and Food Stamps) saving roughly \$400 billion.

**BACKGROUND:** As welfare programs, enrollment in and spending on Medicaid and Food Stamps should rise during recessions and fall during economic expansions. Yet, more people [received food stamps](#) and, even after adjusting for inflation, more money was spent on them in 2025 when the unemployment rate averaged 4.3% than in 2010 when it averaged 9.6%. Similarly, [Medicaid enrollment](#) is up about 30% and inflation-adjusted spending has [increased](#) more than 50% since 2010. The expansion of Medicaid to able-bodied adults without children or other dependents and growing exemptions from food stamp work requirements are major reasons for excessive growth in these programs.

### What OB3 Does:

- **Medicaid.** Beginning in 2027, able-bodied adults (ages 19-64) without dependents under age 14 will have to spend at least 80 hours per month in community engagement—including work, job training, education, or community service—to receive Medicaid benefits.
- **SNAP.** Beginning in 2027, states will not be able to exempt as many people from SNAP's work requirement of 80 hours per month in community engagement. Exemptions will generally not be allowed for individuals who are able-bodied adults ages 19-64 without dependents under age 14.

### Why It Matters?

- Welfare should be for those in need. Working families should not have to give up part of their paychecks to support idleness among able-bodied, working-age adults without dependents.
- By increasing employment, work requirements help grow incomes, output, and the economy while promoting human flourishing through the dignity of work.
- CBO [estimates](#) these provisions will save roughly \$400 billion over 10 years, including \$69 billion in SNAP and \$326 billion in Medicaid.

**Where Can I Find the Changes?** OB3 Sections [10102](#) and [71119](#);  
[7 U.S.C. § 2015](#) and [42 U.S.C. § 1396a](#).

**BOTTOMLINE:** These commonsense work requirements preserve welfare for those in need, save taxpayers \$400 billion, and promote human flourishing through the dignity of work.

