



TO: The Honorable Members of the PA House of Representatives

FROM: Alex Halper, Director, Government Affairs

DATE: April 16, 2018

RE: Support H.B. 2138

I write on behalf of the Pennsylvania Chamber of Business and Industry to urge your support for H.B.2138, regarding eligibility requirements for able-bodied adults to receive public medical assistance. We understand the House may consider the bill this week.

H.B. 2138 generally requires able-bodied adults receiving Medicaid to work, seek employment or participate in job training. The bill includes numerous exemptions. This is reasonable legislation and makes sense as part of a broad strategy to help address workforce challenges in Pennsylvania, including the difficulty employers experience finding qualified applicants for open positions.

According to an Aug. 2017 PA Chamber survey, a plurality of employers rated the quality of the workforce in Pennsylvania as just “Fair” (41 percent) and far more answered “Poor” (16 percent) than “Excellent” (just five percent). According to an earlier survey, most employers believe finding qualified applicants had gotten more difficult over the last five years (61 percent) and most believe it is getting worse (57 percent). Only two percent of respondents believe it will get easier.

This represents a significant impediment to competitiveness and economic growth and we have urged a multi-pronged public policy response, including efforts to help encourage employment. For example, we recently supported “Clean Slate” legislation to facilitate employment among reentrants and help employers find qualified job applicants. The population of able-bodied adults receiving medical benefits similarly represents a pool of talent that could help address the workforce deficit.

We are sensitive to concerns regarding costs and administrative challenges associated with implementation. In 2011, Pennsylvania became the last state in the country to require individuals receiving unemployment compensation benefits to demonstrate they are looking for a job. While some initially opposed this requirement and there continues to be room for improvement in its administration, we believe it has generally achieved its objectives of encouraging work and connecting employers with potential applicants.

We believe H.B. 2138 will help achieve similar objectives and we urge you to support it. Please contact Alex Halper at ahalper@pachamber.org or 717-720-5471 with any questions or to discuss.