

The New Social Contract: From Safety Net to Trampoline

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The One Big Beautiful Bill Act represents more than budget policy—it's a fundamental reordering of the relationship between citizens and their government.

When President Trump signed the One Big Beautiful Bill Act (OB3) on July 4, 2025, he didn't just restructure healthcare financing. He formalized a decades-long evolution in American social policy: the shift from unconditional assistance to mutual obligation. Beginning December 2026, 18.5 million Medicaid expansion adults will need to work, train, volunteer, or document exemptions for at least 80 hours monthly to maintain healthcare coverage.

This isn't new territory. It's the next chapter in a story that began nearly thirty years ago.

From AFDC to TANF: The 1996 Precedent

Bill Clinton's 1996 promise to "end welfare as we know it" wasn't just rhetoric—it was a philosophical repositioning of the American social contract. The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) replaced Aid to Families with Dependent Children (AFDC), an entitlement program that had guaranteed cash assistance since the Social Security Act of 1935, with Temporary Assistance for Needy Families (TANF), a time-limited, work-conditioned benefit.

The transformation was deliberate and sweeping. AFDC had been designed during the Progressive Era and Depression-era America to allow single mothers to stay home and care for children. By the 1990s, that vision had fundamentally changed. Both political parties agreed: benefits should flow to those who contribute through work, and government assistance should be temporary—a trampoline, not a hammock.

The results were dramatic. Between 1994 and 2005, welfare caseloads declined by 60 percent. The number of families receiving cash assistance dropped to levels not seen since 1969. Employment among single mothers surged. Whether you view these outcomes as success or tragedy often depends on your core assumptions about the proper relationship between individuals and the state.

Three Competing Visions of Citizenship

Understanding OB3's work requirements requires grappling with three fundamentally different perspectives on citizenship and mutual obligation—each internally coherent, each with legitimate philosophical grounding.

The Conservative Framework: Dignity Through Contribution

This perspective holds that work isn't just about income, it's about human dignity, social participation, and self-actualization. Unconditional benefits, while compassionate in intent, can inadvertently trap people in dependency and rob them of the dignity that comes from contributing to society.

Work requirements, in this view, aren't punitive. They're an invitation back into civic and economic life. They say: You matter. Your contribution matters. Society needs what you can offer. The social contract isn't one-directional (government provides, citizens receive) but reciprocal (we all contribute what we can, in different ways, at different times).

This framework emphasizes several key principles:

- Temporary assistance: Benefits should be a bridge, not a destination
- Personal responsibility: Individuals have agency and capacity to shape their circumstances
- Work as virtue: Employment provides meaning, structure, relationships, and purpose beyond wages
- Intergenerational effects: Children benefit from seeing adults engage in productive activity

The Progressive Framework: Rights Without Preconditions

From this perspective, healthcare is a fundamental human right that shouldn't depend on economic productivity. Work requirements create a two-tier system: those deemed "deserving" (workers) and "undeserving" (non-workers), even when non-work stems from structural barriers like discrimination, caregiving responsibilities, disability, or labor market conditions.

This view emphasizes different concerns:

- Structural barriers: Many people can't work due to factors beyond their control
- Administrative burden: Complex verification systems exclude people who are working or exempt
- Health equity: Losing coverage worsens health, which further reduces work capacity
- Caregiving as work: Unpaid care for children, elderly, or disabled family members is economically valuable
- Market failures: Not everyone who wants work can find it, especially in rural or economically depressed areas

Rather than promoting independence, this perspective argues, work requirements often push people further from stability by disrupting the healthcare access needed to maintain employment.

The Communitarian Framework: Balanced Obligations

A third perspective seeks middle ground, acknowledging both individual dignity through contribution and collective responsibility for vulnerable members. This view asks: How do we balance legitimate expectations of participation with realistic accommodation of human limitations?

Communitarians might support work requirements in principle while insisting on:

- Robust support services: Childcare, transportation, job training that make work possible
- Flexible pathways: Multiple ways to meet obligations (work, education, volunteering, caregiving)
- Meaningful exemptions: Genuine accommodation for those who truly cannot work
- Quality over quantity: Hours requirements paired with living wages and decent working conditions
- Community-defined contribution: Local communities helping define what counts as civic participation

This framework refuses to see work requirements as either purely beneficial or purely harmful, instead focusing on implementation quality and support system adequacy.

The OB3 Framework: Mutual Obligation Goes Medical

OB3's Medicaid work requirements import TANF's philosophical framework into healthcare: coverage isn't an entitlement but part of a reciprocal social contract. You contribute through work (or its equivalents), and society provides healthcare coverage in return.

The Congressional Budget Office projects 10.3 million people will lose Medicaid coverage by 2034, with work requirements being the largest driver. But these numbers don't settle the philosophical debate—they're interpreted differently depending on which framework you hold.

Through a conservative lens: These projections show that millions were receiving benefits they didn't need or weren't entitled to under a reciprocal framework. Coverage loss indicates successful targeting of assistance to those genuinely unable to work.

Through a progressive lens: These projections reveal mass harm—millions losing healthcare not because they don't need it, but because they can't navigate bureaucratic systems or work in jobs that don't produce easy documentation.

Through a communitarian lens: These projections raise urgent questions about whether support systems are adequate and whether exemption processes will actually protect those who cannot work.

What's At Stake: Competing Definitions of Social Contract

The fundamental question isn't technical, it's philosophical: What do we owe each other?

One answer: We owe each other mutual contribution. Those who can work should work. Those who can't should be genuinely exempted. Benefits should flow to those who participate in economic life (broadly defined) or who truly cannot. This preserves the dignity of both givers and receivers and maintains sustainable social programs.

Another answer: We owe each other healthcare, period. Medical care is so fundamental to human dignity and functioning that making it contingent on economic productivity is categorically wrong. A wealthy society can afford universal coverage, and implementation barriers will inevitably exclude vulnerable people who genuinely need care.

A third answer: We owe each other both participation expectations and unconditional support for basic needs. The question is getting the balance right—high expectations with robust supports, not low expectations masquerading as compassion or high expectations without the infrastructure to meet them.

The Implementation Challenge Ahead

OB3 resolves the political debate but not the philosophical one. As states begin implementing work requirements starting December 2026, we face practical questions that reflect these deeper tensions:

System design questions:

- Should verification systems prioritize accessibility (more people maintain coverage) or accountability (more people prove participation)?
- How do we balance automation efficiency with human judgment for complex cases?
- What level of documentation is "reasonable" for different work arrangements?

Exemption definition questions:

- Where do we draw the line on medical frailty—only severe disability, or chronic conditions that episodically prevent work?
- How do we verify caregiving responsibilities without invasive documentation?
- Should pregnancy exemptions extend through postpartum recovery periods?

Support service questions:

- Who pays for the childcare that makes work possible?
- What happens in rural counties with no public transportation and few jobs?
- How do we help people find work without penalizing them during the search?

Each question embeds philosophical assumptions. There's no "neutral" implementation—every choice about system design, exemption categories, and support services reflects a judgment about the proper balance between obligation and accommodation.

Beyond the Binary

The most productive path forward may be transcending the tired "work requirements good" vs. "work requirements bad" debate. Instead, we might ask:

If we accept mutual obligation as a framework (as OB3 does), how do we implement it excellently? This means:

- Verification systems that minimize burden while ensuring integrity
- Exemption processes that actually reach those who need them
- Support services that make participation possible for those with capacity
- Flexibility for diverse work arrangements and life circumstances
- Rigorous evaluation of whether requirements actually improve employment and health

If we maintain skepticism about work requirements (as many do), what's the pragmatic response? This means:

- Maximizing exemption accessibility within the law
- Documenting implementation failures for future reform
- Building navigation infrastructure to prevent avoidable coverage loss
- Protecting the most vulnerable through advocacy and litigation
- Offering alternative visions of social contract for when political winds shift

A Nation Reckoning with First Principles

OB3's work requirements force us to confront questions Americans have been debating since the New Deal: What creates human dignity—work or security? What sustains community—mutual obligation or unconditional care? What enables flourishing—high expectations or generous support?

There are no easy answers, only trade-offs. We can emphasize personal responsibility (risking exclusion of those facing genuine barriers) or prioritize universal access (risking diminished sustainability and social cohesion). We can trust individuals to determine their own paths or insist on work as a condition of community membership.

What's certain is this: beginning December 2026, 18.5 million Americans will navigate a new social contract, one that echoes 1996's transformation of cash assistance but now extends to healthcare itself. The coming years will test whether we can balance reciprocal obligation with humane accommodation—or whether we'll simply replicate the patterns of the past three decades at larger scale.

This isn't about whether work requirements are "good" or "bad." It's about what kind of society we want to be: one that emphasizes contribution as the path to dignity, one that provides care regardless of contribution, or one that somehow integrates both.

The answer we're building, one verification system and exemption category at a time, will define the American social contract for generations to come.

This article is part of a series examining work requirements as a fundamental recasting of the American social contract.