

# Medicaid Work Requirements Put More than 111,000 Missourians at Risk of Losing Health Coverage

Medicaid helps keep Missourians and their families healthy, so they can work, succeed in school and contribute to their community. But Congress is considering several changes to Medicaid that would result in cuts to health services, including a proposal that would require states to implement work requirements.

While most people who get their health insurance through Medicaid already work, work requirements impose administrative barriers and red tape that cause people to lose their coverage – **including those who are supposed to be exempt from the requirements in the first place.**

In Missouri, work requirements would likely cause more than 111,000 Missourians to lose their health coverage and strain already maxed out eligibility and enrollment systems, affecting all Missourians covered by Medicaid.

## Even Missourians Who Are Working or Exempt Would Lose Coverage

Approximately 90 percent of all working age adults enrolled in Medicaid are already working or may qualify for an exemption due to a disability, caregiving, or enrollment as a student.<sup>i</sup>

**About 9 in 10 Missouri Adults With Medicaid Are Currently Working, Caregiving, Going to School, or Have a Disability**



**Verifying work activities and exemptions simply adds unnecessary bureaucratic red tape for enrollees AND states.**

- Other states that have implemented work requirements have found that a large share of those subject to the requirements either lost coverage or were slated to lose it when the policy was put on hold by lawmakers or the courts. **Those losing coverage included many people who were working or should have been eligible for exemptions.**<sup>ii</sup>
- Work requirements would most likely be applied to adults between the ages of 19 and 64 who qualify for Medicaid through Medicaid expansion or as parents. Depending on the specifics, based on the experiences of other states, between 111,250 - 178,000 Missourians could lose their health insurance – even if they’re working or otherwise exempt.<sup>iii</sup>

# Work Requirements Would Strain An Already Struggling Enrollment System

Work requirements create a new administrative burden for state Medicaid programs, requiring more staff, system upgrades, additional processes, education and outreach to beneficiaries.

Missouri's enrollment and eligibility systems and staff are already stretched and have a history of problems with eligibility and enrollment, including loss of coverage among eligible individuals due to paperwork errors or red tape.<sup>iv</sup>

- The federal government and the courts have already been forced to intervene several times to address violations related to long application processing & call center wait times and wrongful denials among other problems.<sup>v</sup>
- The states that have previously implemented work requirements have proven that the new administrative burden resulted in large numbers of people losing coverage - even though they are eligible and meeting requirements. Rather, it was the barriers to reporting, including long wait times for call center assistance, glitches/crashes in online systems, and not enough staffing in place to handle problems, that have led to people losing coverage erroneously.<sup>vi</sup>

Given Missouri's existing and ongoing issues, work reporting requirements would likely overwhelm Missouri's Medicaid systems and staff. **This would affect all MO HealthNet beneficiaries and result in children, older adults, people with disabilities, and working Missourians losing their coverage.**

## Conclusion

To be clear, the federal revenue savings projected from work requirements are not because people find jobs or get their health insurance elsewhere – it is because people lose their health coverage due to administrative burdens and red tape. This makes it more difficult for those Missourians to continue working and raises costs for other Missourians.

## Endnotes

- i Jennifer Tolbert, Sammy Cervantes, Robin Rudowitz, and Alice Burns, “Understanding the Intersection of Medicaid and Work: An Update,” (KFF, February 4, 2025). Available at <https://www.kff.org/medicaid/issue-brief/understanding-the-intersection-of-medicaid-and-work-an-update/> (accessed April 15, 2025); Timothy D. McBride, Xiaoyu Huang, Sarah A. Eisenstein, “Characteristics of Medicaid Recipients, including Work Status, in Missouri and the U.S.,” Washington University Center for Advancing Health Services, Policy, and Economics Research, April 2025. Available at <https://sites.wustl.edu/cahsper/items/characteristics-of-medicaid-recipients-including-work-status-in-missouri-and-the-u-s/> (accessed April 15, 2025).
- ii Wagner J. & Schubel J. States’ Experiences Confirm Harmful Effects of Medicaid Work Requirements. Available: <https://www.cbpp.org/health/states-experiences-confirming-harmful-effects-of-medicaid-work-requirements> (accessed April 21, 2025)
- iii MBP analysis applies actual (or slated) coverage loss in AR (25%) , MI (33%), and NH (40%) to the estimated number of working age adults enrolled in Medicaid through non-disability pathways including the Medicaid Expansion population and adults 19-64 eligible through categories such as parents or pregnant women. Coverage loss estimates from Wagner J. & Schubel J. States’ Experiences Confirm Harmful Effects of Medicaid Work Requirements. Available: <https://www.cbpp.org/health/states-experiences-confirming-harmful-effects-of-medicaid-work-requirements> (accessed April 21, 2025); Working Age Adults in Medicaid estimates from CBPP analysis of Medicaid enrollment data collected by CMS through the Medicaid Budget and Expenditure System (MBES) & Medicaid and CHIP Payment and Access Commission (MACPAC) analysis of fiscal year 2022 T-MSIS enrollment data
- iv Missouri’s Medicaid Enrollment Decline: Causes, Barriers, & Solutions. Available [https://mobudget.org/wp-content/uploads/2019/09/MO\\_Medicaid\\_Decline\\_Sept2019.pdf](https://mobudget.org/wp-content/uploads/2019/09/MO_Medicaid_Decline_Sept2019.pdf)
- v In June 2022, Missouri had a total of 51,381 pending Medicaid applications and took an average of 115 days to process an application. (See Missouri Department of Social Services Family Support Division Monthly Management Report, June 2022, available [https://dss.mo.gov/re/pdf/fsd\\_mhdmr/0622-family-support-mohealthnet-report.pdf](https://dss.mo.gov/re/pdf/fsd_mhdmr/0622-family-support-mohealthnet-report.pdf)). The Centers for Medicare and Medicaid Services (CMS) intervened to evaluate the process and develop a mitigation plan that lowered the portion of application taking more than 45 days from 85% in July to 6% in October of 2022. (Missouri Eligibility & Enrollment Mitigation Plan, July 11, 2022, available <https://www.medicaid.gov/medicaid/eligibility/downloads/missouri-mitigation-plan.pdf>. Application processing times from CMS MAGI Application Processing Time Snapshot Reports; July 2022-September 2022 report available <https://www.medicaid.gov/state-overviews/downloads/magi-app-process-time-snapshot-rpt-jul-sep-2022.pdf>, October 2022-December 2022 report available <https://www.medicaid.gov/state-overviews/downloads/magi-app-process-time-snapshot-rpt-oct-dec-2022.pdf>.

CMS intervened again in 2024 due to trends of monthly increases in the proportion of applications taking more than 45 days to process increasing each month beginning in late 2023. This helped the state reduce the volume of applications taking more than 45 days from 72% down to 19% in June 2024. (See letter from CMS to Missouri Department of Social Services, May 22, 2024, available [https://www.documentcloud.org/documents/24762403-missouri\\_application\\_timeliness\\_review\\_letter\\_signed\\_52224/#document/p1](https://www.documentcloud.org/documents/24762403-missouri_application_timeliness_review_letter_signed_52224/#document/p1); CMS MAGI Application Processing Time Snapshot Report: January 2024-March 2024 available <https://www.medicaid.gov/state-overviews/downloads/magi-app-process-time-snapshot-rpt-jan-mar-2024.pdf>, CMS MAGI Application Processing Time Snapshot Report April 2024-June 2024, available <https://www.medicaid.gov/state-overviews/downloads/magi-app-process-time-snapshot-rpt-apr-jun-2024.pdf>)

In May 2024, a federal district court ruled against the Department of Social Services (DSS), citing long call center wait times, wrongful denials, and a lack of accommodations for persons with disabilities in Missouri's Supplemental Nutrition Assistance Program. The court required the state to submit a plan of action and a timeline to address these issues. *Holmes et al v. Knodell*, 733 F. Supp. 3d 775 (W.D. Mo 2024), also available at <https://www.govinfo.gov/content/pkg/USCOURTS-mowd-22-cv-04026/pdf/USCOURTS-mowd-22-cv-04026-1.pdf>

DSS has consistently pointed to staffing issues as one of the primary causes, and this year requested over 220 new employees to adequately staff the state's social benefits systems. However, the governor only recommended funding 55. Fiscal Year 2026 Budget Request Appropriations Book – Department of Social Services, available [https://oa.mo.gov/sites/default/files/FY\\_2026\\_%20Dept\\_of\\_Social\\_Services\\_Gov%20Rec\\_Appropriations\\_Book.pdf](https://oa.mo.gov/sites/default/files/FY_2026_%20Dept_of_Social_Services_Gov%20Rec_Appropriations_Book.pdf)

vi Wagner J. & Schubel J. States' Experiences Confirm Harmful Effects of Medicaid Work Requirements. Available: <https://www.cbpp.org/health/states-experiences-confirming-harmful-effects-of-medicaid-work-requirements> (accessed April 21 2025)