

## **Impact of the House Reconciliation Bill on Medicaid Expansion in Missouri**

Joel Ferber, Legal Services of Eastern Missouri, May 22, 2025

On May 22, 2025, the House of Representatives voted to approve the “budget reconciliation” bill. That legislation seeks to extend tax cuts enacted under the first Trump Administration, increase border security and cut various programs to achieve federal budget savings. This legislation would make sweeping changes to the Medicaid program, and implement massive reductions in funding, while also restricting access to Marketplace coverage. Among the changes to Medicaid are mandatory work requirements, additional cost-sharing and more frequent eligibility reviews for individuals who qualify under the Medicaid expansion, restrictions on retroactive coverage, limitations on provider taxes, restrictions on coverage for legal immigrants, prohibitions on treatment of transgender individuals, exclusion of funding for Planned Parenthood, and rollback of Medicaid eligibility and enrollment regulations. Early estimates from the Congressional Budget Office (CBO) indicated that the bill will cut federal Medicaid spending by \$625 billion over ten years and that at least 13.7 million would become uninsured in 2034 as a result of various Reconciliation health care revisions, including the expiration of the expanded premium tax credits for Marketplace coverage.<sup>1</sup> The version passed by the House Budget Committee cuts Medicaid by \$716 billion, leading to an estimated 15 million people losing health care coverage, according to CBO.<sup>2</sup> Those amounts are likely to increase when the final bill is scored as some of the Medicaid reductions were accelerated and additional restrictions were included in the bill approved by the House.<sup>3</sup>

This paper focuses on two provisions that apply to the Medicaid expansion population: work requirements and more frequent eligibility reviews. These changes would lead to significant reductions in Missouri’s federal funding, substantial coverage losses, increased numbers of uninsured and shift costs to health care providers.

- **Medicaid Expansion**

In August 2020, the Missouri voters enacted a constitutional amendment requiring the State of Missouri to adopt the Medicaid expansion of the Affordable Care Act.<sup>4</sup> The Constitution requires coverage of adults with incomes at or below 138% of the federal poverty level. The federal government pays ninety percent of the costs of the expansion group, in contrast to the “traditional” Medicaid program, which receives about 65% of its funds from the federal government, varying slightly each year. The constitutional requirement, however, is not contingent on any particular federal financial commitment. Nearly 350,000 Missourians receive health coverage through the Medicaid expansion.<sup>5</sup> The expansion group includes low-income adults, many of whom are working, along with parents and caretakers, individuals with chronic conditions, and persons with disabilities who have not yet been determined Medicaid-eligible on the basis of disability.

### **Impact of Medicaid Expansion**

Medicaid expansion has had an enormous impact on Missouri, the full scope of which is beyond the scope of this analysis. But the ability to obtain health coverage not only improves access to health care and health outcomes but ironically, it also makes it easier for people to work. As one Legal Services of Eastern Missouri client explained upon obtaining Medicaid expansion coverage:

I am so happy to have Medicaid. I have had to deal with chronic pain for many years and was told many times that I needed to have surgery to improve my pain. Surgery never felt like a true option for me because I did not have insurance. Over the years I've spent a lot of time in the emergency room to try to get help for my chronic pain. I tried to work with case managers to apply for Medicaid several times but the application always seemed so overwhelming and I could never seem to get the right information for approval. I had pretty much given up on believing that I would get health insurance. I only worked part time. When I was told that there was a new Medicaid program that I could apply for, I was skeptical due to my past experience. But I am glad that I decided to accept the help to apply for this program. I am now scheduled for surgery and I can finally afford the medicine that can help me manage my pain. My life feels completely different right now. I cannot wait until the day that I can get through the work day with very little pain.

This example demonstrates how Medicaid expansion helps nearly 350,000 low-income Missourians affected by the House bill's work requirement.

- **Work Reporting (“Community Engagement”) Requirements**

The House legislation would require expansion enrollees who do not meet an exemption to satisfy “community engagement” requirements and perhaps more significantly, the reporting associated with those requirements. Individuals can meet this requirement during a month by working at least 80 hours, completing at least 80 hours of community service, participating in a work program of at least 80 hours, enrolling in an education program for at least 80 hours or a combination of these activities for at least 80 hours. The bill would allow states to require monthly reporting to verify “work” rather than every six months or annually if they so choose. The bill allows exemptions for certain populations<sup>6</sup> as well as short-term hardship waivers.<sup>7</sup> Individuals aged 19-64 who do not meet these requirements or prove their “exempt” status will be denied at the outset or terminated from the program if they fail to comply while they are on the program. States must implement these requirements by 2026 (rather than 2029 as included in the version approved by the Energy and Commerce Committee).<sup>8</sup>

Significantly, the legislation does not provide funding for jobs, training or education that would satisfy the new requirements, nor funding for child care or transportation to enable individuals to work. The burden would be on the low-income individual to find employment that meets these requirements and/or the state to provide other funding to make it possible for people to work. Nor does the bill protect the health coverage of individuals looking for work but who cannot obtain employment through no fault of their own or who are appropriately receiving unemployment insurance.<sup>9 10</sup>

**The Congressional Budget Office (CBO) estimates federal Medicaid reductions of nearly \$280 billion from implementing the work reporting requirements from 2025-2034.<sup>11</sup>** The effect of these provisions would be to deny or terminate health coverage of hundreds of thousands of needy Missourians. These coverage losses are the basis for the federal savings achieved through these requirements.

Based on the evidence of the few states that implemented work requirements, it is likely that hundreds of thousands of individuals will lose coverage, with those numbers dependent on how Missouri implements this requirement. Indeed, in Arkansas, 18,164 individuals lost Medicaid coverage from September to December 2018 for failing to meet the new work requirement.<sup>12</sup> Similarly, in New Hampshire, “17,000 people or *about 40 percent* of those who would have been subject to work requirements would have lost coverage had state policymakers not put the policy on hold.”<sup>13</sup>

One study found that 126,000-189,000 Missourians are at risk of losing coverage from under the work requirements in the Reconciliation bill, with 91,000 of them losing coverage if coverage losses are comparable to what occurred in Arkansas.<sup>14</sup> Thus, **at least one quarter of Medicaid expansion enrollees would lose coverage under this analysis.** Kaiser projects enrollment losses ranging from 166-208,000 in Missouri from *all* of the Medicaid revisions in the Reconciliation bill, including work requirements.<sup>15</sup>

The House bill, however, adds a new provision not included in Arkansas or New Hampshire and not accounted for in the abovementioned analysis of the bill’s work requirement. Unlike Arkansas’s work requirement, the **current proposal would require applicants to demonstrate compliance with the requirement before they can access coverage.**<sup>16</sup> Applicants for Medicaid would have to demonstrate they are working a sufficient number of hours *up front* before they are even allowed to participate in Medicaid.<sup>17</sup> This approach was tried in Georgia, drastically limiting participation in that state’s Medicaid program. After 20 months, only 7,000 individuals out of an original projected pool of 345,000 people enrolled.<sup>18</sup> While it is difficult to project the precise impact of this up-front barrier, it is sure to dramatically limit the number of individuals enrolling in Missouri’s Medicaid expansion. Moreover, the bill allows states to require verification of past work for months or even years prior to the time of application and before the applicant would have known what requirements must be met, thereby greatly increasing the number of up-front coverage denials authorized under this legislation.

**Exemptions:** The bill’s exclusions from participation do not solve these problems. The inability of state systems to determine who is exempt and who is not contributes to the high numbers of Medicaid recipients who are disenrolled through no fault of their own. It is likely that *eligible* individuals, including those who are exempt, will have difficulty complying with documentation requirements.

Experience from other public benefits programs is instructive on this point. There is significant evidence that individuals sanctioned in the TANF and SNAP (food stamps) programs were in fact working or qualified for exemptions, but did not complete the required paperwork or could not document their exemptions.<sup>19</sup> A review of state TANF programs “showed that people with disabilities were disproportionately likely to be sanctioned for failing to meet work requirements.”<sup>20</sup> Other research indicates that TANF participants with physical and mental health issues are disproportionately likely to be sanctioned for not completing work requirements.<sup>21</sup> Similar concerns have arisen with SNAP work requirements and erroneous terminations of benefits.<sup>22</sup> Thus, the fact that written policies include exemptions does not guarantee that those policies will be implemented in practice.<sup>23</sup>

The experience with Medicaid work requirements in Arkansas and New Hampshire bears out these concerns. Evidence from these states shows that red tape and paperwork requirements create

serious hurdles for eligible beneficiaries, which then causes enrollment to decline.<sup>24</sup> Among these challenges were complex and confusing eligibility rules and contradictory notices that made it difficult for Medicaid beneficiaries to determine whether work reporting requirements actually applied to them, confusion over what to report and how often, insufficient and ineffective outreach to the population affected, and complex and inaccessible on-line reporting systems, lack of sufficient staff support.<sup>25</sup> A Kaiser study found that “people with disabilities were particularly vulnerable to losing coverage under the Arkansas work and requirements, despite remaining eligible.”<sup>26</sup>

An analysis by the Center on Budget and Policy Priorities points out that these same problems persisted in New Hampshire, even though the state agency attempted a more comprehensive outreach effort, undertaking multiple activities such as mail notifications, town halls, phone calls, and text messages, at significant expense.<sup>27</sup> Officials acknowledged that “these considerable efforts” were ineffective.<sup>28</sup> For example, on only 500 out of the state’s 50,000 phone calls did a state official discuss the work requirement with the person who would be affected by it, and the state’s 2,011 home visits reached only 270 people who would be affected. These unsuccessful efforts cost the state \$187,000.<sup>29</sup>

**Missouri-specific factors:** The numerical projections of coverage losses do not take into account Missouri-specific issues that are likely to exacerbate coverage losses if work requirements are implemented in Missouri.

The Missouri Department of Social Services (DSS) has transformed the administration of its public benefits programs over the last decade in ways that would make the implementation of the work requirement especially challenging. Medicaid participants no longer have a single caseworker they know or can reach on the phone if they run into problems with their applications or related paperwork. A statewide call center is supposed to handle inquiries and requests for assistance from clients, however, a Report commissioned by DSS noted that these wait times “can reach over an hour.”<sup>30</sup> It acknowledged that the Family Support Division’s “outbound communications (e.g., letters, review request) and applications” *rely heavily on telephone customer support* to guide participants.<sup>31</sup> More recent CMS data shows that Missouri’s average wait time for the Medicaid call center was 44 minutes with a call abandonment rate of 49% , both second worst in the country, with much higher rates on these measures in many of months from March 2023 to the present.<sup>32</sup> Layering new work requirements on top of a system that already makes individualized contact with Family Support Division staff so difficult will be extremely challenging. Individuals still eligible and participating in Medicaid who fail to get through to report compliance with the work rules could lose benefits despite doing everything expected of them.

Meanwhile the State is still developing its computerized eligibility systems for public assistance programs, and only the family-based Medicaid programs are incorporated in the State’s “MEDES” (Medicaid Eligibility Determination and Enrollment System) computer system thus far. Medicaid for seniors and adults with disabilities, as well as other public benefits (like SNAP and TANF) remain in the old FAMIS computer system. The lack of integrated systems makes it difficult for Missouri to implement exemptions or work performance in an automated manner. For example, while compliance with a SNAP work requirement could potentially satisfy the new Medicaid work requirement, SNAP is in the old FAMIS computer system which is not integrated with MEDES. Meanwhile, computer systems are programmed to close cases automatically even if the client

sends in all requested documentation timely if the agency does not process the information provided.

Moreover, the State must electronically process documents submitted by applicants and participants through a variety of methods such as mailing, faxing, submission thorough a document portal or delivering in person to an FSD resource center. This process does not work smoothly, as documents are often submitted but not processed. These faulty systems, combined with the inability to speak with a worker actually responsible for the participant's case, make it very difficult for participants to provide the necessary verification and have it processed in a timely manner.<sup>33</sup> Thus, any work requirement would have to be layered on top of an already challenged, overburdened and dysfunctional system.<sup>34</sup> These problems will certainly make it difficult for anyone, let alone people with disabilities or literacy issues, to establish that they meet an exemption or qualify for a short-term "hardship waiver" as provided in the legislation. These problems are further demonstrated by Missouri's administration of Medicaid renewals discussed in the next section.

- **More Frequent Eligibility Determinations**

The legislation implements another important change for Medicaid expansion enrollees: it requires states to conduct eligibility reviews every six months, rather than the 12 months required under current law. The CBO estimated \$53.2 billion in federal savings from implementing these new requirements.<sup>35</sup>

For all of the reasons stated above, this revision will create administrative barriers that cause Medicaid expansion participants to lose health coverage. In addition, Missouri has well-documented struggles with the *existing* renewal process, let alone one which will require these renewals to occur more frequently. While no Missouri-specific numbers are available yet on the impact of this proposal, it is virtually certain that this requirement would cause additional losses of health insurance coverage beyond those directly related to work requirements.

Like other states, Missouri reinstated a Medicaid renewal process (after a moratorium on renewals during the Pandemic Health Emergency), in which it redetermined eligibility for all Medicaid beneficiaries, causing many thousands to lose coverage. Seventy-eight percent of these terminations during the Medicaid "unwinding" were for "procedural" reasons (e.g., paperwork not processed or completed), *not* because these individuals were *ineligible* for health coverage (the procedural termination rate was 91% from June-November 2024).<sup>36</sup>

The State completed 51 percent of its renewals on an *ex parte* basis - using electronic data sources available rather than having to require paperwork from the Medicaid participant - but these numbers are below the *ex parte* rates of more than 25 other states, with many achieving rates of 70 percent or greater.<sup>37</sup> And from June-October 2024, Missouri terminated coverage of more individuals (27%) than the national rate of terminations (17%) while fewer individuals (56%) retained coverage than the national retention rate (74%).<sup>38</sup>

These problems have not subsided. Legal Services of Eastern Missouri and other stakeholders continue to see individuals submitting their renewal information through all available means - by mail (including certified mail), by phone, by fax, through the Family Support Division's document "portal" and in person at resource centers but still are automatically terminated from Medicaid

coverage when the Family Support Division fails to process the paperwork.<sup>39</sup> These problems with the existing Medicaid renewal process portend even greater difficulties if the renewal process occurs twice as often as it does now. And as referenced above, they do not bode well for the state agency's implementation of work reporting requirements which would rely on many of the same systems (e.g., portals, call centers, computer systems) employed in the renewal process.<sup>40</sup>

### **Conclusion**

As described above, work requirements and more restrictive eligibility rules will significantly reduce Medicaid coverage in Missouri. Preliminary estimates suggest that at least one quarter of Missouri's Medicaid expansion enrollment would lose coverage under the Medicaid work requirements in the House bill. The additional bureaucratic hurdles associated with more frequent eligibility reviews would exacerbate these coverage losses, thereby limiting these Medicaid beneficiaries' access to care and making it harder for them to work. These Medicaid coverage losses will also increase Missouri's uninsured, leading to greater use of emergency departments additional medical debt, and shift costs to health care providers, who will ultimately shift those costs to those who have insurance. Individuals who are able to transition to private coverage will tend to have higher health care needs, affecting the risk pool and leading to higher premiums.

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## Endnotes

<sup>1</sup> Congressional Budget Office, Energy and Commerce Subtitle D, Part I, Medicaid, at: [https://d1dth6e84htgma.cloudfront.net/E\\_and\\_C\\_Markup\\_Subtitle\\_D\\_Part\\_I\\_5\\_12\\_25\\_4628d60c2a.pdf](https://d1dth6e84htgma.cloudfront.net/E_and_C_Markup_Subtitle_D_Part_I_5_12_25_4628d60c2a.pdf); CBO Memo, E&C Reconciliation Recommendations, at: <https://democrats-energycommerce.house.gov/sites/evo-subsites/democrats-energycommerce.house.gov/files/evo-media-document/cbo-emails-re-e%26c-reconciliation-scores-may-11%2C-2025.pdf>; Amendment to Rules Committee Print 119-3 offered by Mr. Arrington of Texas, at: [https://amendments-rules.house.gov/amendments/RCP\\_119-3\\_Managers\\_xml%20\(002\)250521201648156.pdf](https://amendments-rules.house.gov/amendments/RCP_119-3_Managers_xml%20(002)250521201648156.pdf).

<sup>2</sup> *Id.*, Congressional Budget Office, Estimated Budgetary Effects of a Bill to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14, the One Big Beautiful Bill Act, Title IV, House Committee on Energy and Commerce; Title XI, House Committee on Ways and Means (May 20, 2025), at: <https://www.cbo.gov/publication/61420>.

<sup>3</sup> Amendment to Rules Committee Print, note 1, *supra*.

<sup>4</sup> Missouri Constitution, Article IV, Section 36(c).

<sup>5</sup> There were 349,924 individuals in the adult expansion group in May 2025. Missouri Department of Social Services, Caseload Counter, at: <https://dss.mo.gov/mis/clcounter/history.htm>.

<sup>6</sup> The bill excludes pregnant women, foster care youth and former foster care youth, members of Tribes, veterans who are disabled, parent, guardians or caretakers of disabled individuals or a dependent child and individuals who are considered “medically frail” as defined in the bill.

<sup>7</sup> The bill includes hardship waivers for natural disasters and for counties where the unemployment rate is greater than eight percent or greater than 150% above the national average.

<sup>8</sup> See Amendment to Rules Committee Print, note 1 *supra*. Individuals who do not meet Medicaid work requirements are also excluded from qualifying for premium tax credits in the Marketplace.

<sup>9</sup> In fact, most non-elderly Medicaid participants are working, while the remaining portion are often not working due to caregiving responsibilities, illness or disability, or school attendance. Among adults under age 65 with Medicaid who do not receive benefits from the Social Security disability programs, Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI), and who are not also covered by Medicare, 92% were working full or part-time (64%), or not working due to caregiving responsibilities (12%), illness or disability (10%), or school attendance (7%) Elizabeth Hinton and Robin Rudowitz, *5 Key Facts About Medicaid Work Requirements*, Kaiser Family Foundation, February 18, 2025, at: <https://www.kff.org/medicaid/issue-brief/5-key-facts-about-medicaid-work-requirements/>

<sup>10</sup> There is no evidence that threatening individuals with a loss of health coverage if they fail to meet state-created work reporting requirements leads to better employment outcomes, let alone improves their health. A study by Harvard researchers found that Arkansas’s work requirements increased uninsured rates without increasing employment. “Consistent with that study, data show that only a small minority of those who lost coverage in Arkansas found jobs, and most of them would likely have found jobs with or without the work requirement policy.” Jennifer Wagner & Jessica Schubel, Ctr. on Budget & Policy Priorities, *States’ Experiences Confirming Harmful Effects of Medicaid Work Requirements* (Oct. 22, 2019), at: <https://www.cbpp.org/sites/default/files/atoms/files/12-18-18health.pdf>. For a discussion and review of studies cited by CMS in support of its approval of a work requirement, See LaDonna Pavetti, PH.D., Statement of Review, January 11, 2018, attached to letter from Jane Perkins, National Health Law Program, to Brian Neale, Director, Centers for Medicare & Medicaid Services, January 11, 2018, at: <http://uhcanohio.org/wp-content/uploads/2018/05/NHLP-Letter-Re-Work-DSMD.pdf>. While some studies show that health and work are correlated, for example, because healthy people are more likely to work, they do not show that work *caused* them to be healthy. And none of the studies cited by CMS show that requiring work as a condition of eligibility is likely to promote health outcomes. *Id.*, p. 3.

<sup>11</sup> Congressional Budget Office, Estimated Budgetary Effects of a Bill to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14, the One Big Beautiful Bill Act, Title IV, House Committee on Energy and Commerce; Title XI, House Committee on Ways and Means (May 20, 2025), at: <https://www.cbo.gov/publication/61420>.

<sup>12</sup> Robin Rudowitz, MaryBeth Musumeci, and Cornelia Hall, *Year End Review: December State Data for Medicaid Work Requirements in Arkansas*, Kaiser Family Foundation, Jan. 17, 2018, at: p. 1, at <https://www.kff.org/medicaid/issue-brief/state-data-for-medicaid-work-requirements-in-arkansas/>

<sup>13</sup> Jennifer Wagner & Jessica Schubel, n. 10, *supra*.

<sup>14</sup> Elizabeth Zhang and Gideon Lukens, *Harsh Work Requirements in House Republican Bill Would Take Away Medicaid Coverage From Millions: State and Congressional District Estimates*, May 13, 2025. at: <https://www.cbpp.org/sites/default/files/5-13-25health2-researchnote.pdf>. This variation in CBPP’s estimates depends on how states implement these provisions and whether they are able to use its computer systems to determine exemptions and compliance automatically (i.e., without requiring additional paperwork from the participant). Another

analysis suggest that 103,697 Missourians will lose Medicaid coverage under the House Republican legislation. Joint Economic Committee Minority, State-by-State data, May 2025, at: <https://www.jec.senate.gov/public/cache/files/d5fb1359-92a6-47ac-8fae-aeffb1de2f6e/jec-fact-sheet-on-state-by-state-impacts-of-health-care-cuts.pdf>. See also Alice Burns, Jared Ortaliza, Justin Lo, Matthew Rae, and Cynthia Cox.. KFF, May 20, 2025, at: [https://www.kff.org/affordable-care-act/issue-brief/how-will-the-2025-reconciliation-bill-affect-the-uninsured-rate-in-each-state-allocating-cbos-partial-estimates-of-coverage-loss/?utm\\_medium=email&hsenc=p2ANqtz-8Ds\\_7K82JolOg4UvwPp\\_nqynqFGOez46ok6NEOsmZi3psKGxRRyrKeR7Z4A8AvBqJnft-JL-YNlv7XiAKKWeW7QurmQ&hsmi=362549241&utm\\_content=362549241&utm\\_source=hs\\_email](https://www.kff.org/affordable-care-act/issue-brief/how-will-the-2025-reconciliation-bill-affect-the-uninsured-rate-in-each-state-allocating-cbos-partial-estimates-of-coverage-loss/?utm_medium=email&hsenc=p2ANqtz-8Ds_7K82JolOg4UvwPp_nqynqFGOez46ok6NEOsmZi3psKGxRRyrKeR7Z4A8AvBqJnft-JL-YNlv7XiAKKWeW7QurmQ&hsmi=362549241&utm_content=362549241&utm_source=hs_email) projecting that Missouri's uninsured an increase in Missouri's uninsured by 110,00 as a result of the Energy and Commerce Committee's proposal (factoring in both Medicaid and Marketplace changes).

<sup>15</sup> Rhiannon Euhus, Elizabeth Williams, Alice Burns, and Robin Rudowitz, *State-Level Context for Federal Medicaid Cuts of \$625 Billion and Enrollment Declines of 10.3 Million*, KFF, May 15, 2025, at: <https://www.kff.org/medicaid/issue-brief/state-level-context-for-federal-medicaid-cuts-of-625-billion-and-enrollment-declines-of-10-3-million/>.

<sup>16</sup> HR 1, One Big Beautiful Bill Act, RULES COMMITTEE PRINT 119–3, Sec. 44141, at: [https://rules.house.gov/sites/evo-subsites/rules.house.gov/files/documents/rcp\\_119-3\\_final.pdf](https://rules.house.gov/sites/evo-subsites/rules.house.gov/files/documents/rcp_119-3_final.pdf).

<sup>17</sup> <https://www.georgiapathways.org/data-tracker> (7000 individuals gained coverage) (last visited May 12, 2025); <https://gov.georgia.gov/press-releases/2022-10-12/response-rep-bishop-et-al-october-11-2022> (345,000 original projected pool) (last visited May 12, 2025).

<sup>18</sup> See Elizabeth Hinton and Robin Rudowitz, *Implementing Work Requirements on a National Scale: What We Know from State Waiver Experience*, KFF, May 20, 2025 at: <https://www.kff.org/policy-watch/implementing-work-requirements-on-a-national-scale-what-we-know-from-state-waiver-experience/>; Margaret Coker, He Became the Face of Georgia's Medicaid Work Requirement. Now He's Fed Up With It, May 14, 2025, at: <https://www.propublica.org/article/georgia-medicaid-pathways-brian-kemp-luke-seaborn-testimonial-video>.

<sup>19</sup> Judith Solomon, *Kentucky Waiver Will Harm Medicaid Beneficiaries*, Center on Budget and Policy Priorities, January 16, 2018, p. 6, citing LaDonna Pavetti, Michelle Derr, and Heather Hesketh, “Review of Sanction Policies and Research Studies,” Mathematica Policy Research, Inc., March 2003, at: <https://www.cbpp.org/research/kentucky-waiver-will-harm-medicaid-beneficiaries>.

<sup>20</sup> *Id.*

<sup>21</sup> See, e.g., Yeheskel Hasenfeld et al., *The Logic of Sanctioning Welfare Recipients: An Empirical Assessment*, Departmental Paper, University of Pennsylvania School of Social Policy and Practice, June 2004, at: <https://repository.upenn.edu/entities/publication/64c043e5-c5b2-46d5-b653-7e79d7762ae9>

<sup>22</sup> Researchers have expressed concern that states might incorrectly determine that many of the nearly 20% of all SNAP participants who have a disability, but do not receive disability benefits, are subject to the work requirement. See Michael Morris et al., *Impact of the Work Requirement in Supplemental Nutrition Assistance (SNAP) on Low-Income Working-Age People with Disabilities*, Burton Blatt Inst. at Syracuse Univ., 2014, pp. 4, 14, at: [https://nam04.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.researchgate.net%2Fpublication%2F274006096\\_Impact\\_of\\_the\\_Work\\_Requirement\\_in\\_Supplemental\\_Nutrition\\_Assistance\\_SNAP\\_on\\_Low-Income\\_Working-Age\\_People\\_with\\_Disabilities&data=05%7C02%7CAJSchneider%40lseml.org%7C6104eb1595fe4773614e08dd994f4e63%7Ca634b978c41a4f8ab8d841642153a6a1%7C0%7C0%7C638835288289562407%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIiIAiOiJXaW4zMjMiIsIkFOIjoIjWpbcIIsIldUjjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=wHWXHRLEGigG12QPff9iDelzrKgQgK%2BZJgcVrGmT8hQ%3D&reserved=0](https://nam04.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.researchgate.net%2Fpublication%2F274006096_Impact_of_the_Work_Requirement_in_Supplemental_Nutrition_Assistance_SNAP_on_Low-Income_Working-Age_People_with_Disabilities&data=05%7C02%7CAJSchneider%40lseml.org%7C6104eb1595fe4773614e08dd994f4e63%7Ca634b978c41a4f8ab8d841642153a6a1%7C0%7C0%7C638835288289562407%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIiIAiOiJXaW4zMjMiIsIkFOIjoIjWpbcIIsIldUjjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=wHWXHRLEGigG12QPff9iDelzrKgQgK%2BZJgcVrGmT8hQ%3D&reserved=0). One study found that one-third of individuals in Franklin County, Ohio, referred to a SNAP employment and training program in order to keep their benefits reported a physical or mental limitation, and 25% of these individuals indicated that the condition limited their daily activities, at: <https://www.congress.gov/116/meeting/house/109237/witnesses/HHRG-116-AG03-Wstate-Hamler-FugittL-20190403-SD001.pdf> Additionally, almost 20% of the individuals had filed for SSI or SSDI within the previous two years. Ohio Association of Foodbanks, *Comprehensive Report: Able-Bodied Adults Without Dependents*, 2015.

<sup>23</sup> Missouri has already implemented more stringent sanctions and work requirements in its SNAP and TANF programs and the primary impact has been termination of benefits for childless adults and low-income parents and their children. For example, legislation affecting “able-bodied adults” without dependent children (not eligible for Medicaid in Missouri) indicated that the new policies caused more than 70,000 unemployed childless adults to lose SNAP benefits in 2016 and 2017. DSS data indicates that 72,480 unemployed childless adults had their benefits terminated in 2016 and 2017 alone. A state report similarly indicated that more stringent sanctions in TANF caused



8,459 families to lose half of their cash benefits and 4,986 to lose all cash assistance benefits in 2016. Missouri Department of Social Services, Family Support Division, *TANF- Senate Bill 24 Annual Report*, December 19, 2017, at: <https://nam04.safelinks.protection.outlook.com/?url=https%3A%2F%2Fdss.mo.gov%2Freports%2FTemporary-Assistance%2Ffiles%2FTANF-SB24-2016.pdf&data=05%7C02%7CAJSchneider%40lse.org%7C6104eb1595fe4773614e08dd994f4e63%7Ca634b978c41a4f8ab8d841642153a6a1%7C0%7C0%7C638835288289581947%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtIsIkFOIjoIjWFpbCIldUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=sOt8fy12po7IHr70f87En1sJcJYLppgdF18XIm10UoU%3D&reserved=0>. In FY 2016, 9,238 households were subject to 50 sanctions but 779 of those were resolved. 5,535 households were subject to full-family sanctions with 649 of those cases resolved. *Id.* Sanctioned families included 15,562 children (subject to a 50% sanction) and 9,170 children (subject to a full-family sanction). These results certainly suggest what will happen if Medicaid work requirements are implemented in Missouri. *Id.* The same report included no data or even a discussion of the number of such families and individuals who actually obtained employment, let alone employment that included health insurance.

<sup>24</sup> Wagner and Schubel, *supra* note 10, at 3-6.

<sup>25</sup> Just days before the New Hampshire's reporting deadline, the state's online system experienced a glitch that made it difficult for people trying to report their work hours. *Id.*, p. 6.

<sup>26</sup> *Id.* p. 6, MaryBeth Musumeci, *Disability and Technical Issues Were Key Barriers to Meeting Arkansas' Medicaid Work and Reporting Requirements in 2018*, Kaiser Family Foundation, June 11, 2018, at: <https://www.kff.org/medicaid/issue-brief/disability-and-technical-issues-were-key-barriers-to-meeting-arkansas-medicaid-work-and-reporting-requirements-in-2018/>

<sup>27</sup> Wagner and Schubel, *supra* note 10, p.5.

<sup>28</sup> *Id.*

<sup>29</sup> *Id.*

<sup>30</sup> Missouri Department of Social Services, *Rapid Response Review - Assessment of Missouri Medicaid Program, Final Report*, February 11, 2019, [hereinafter "Rapid Response Review"], p. 96, at: <https://www.mhanet.com/mhaimages/Advocacy/McKinsey%20Report.pdf>.

<sup>31</sup> *Rapid Response Review, Id.*, p. 100.

<sup>32</sup> Timothy McBride, Updates on Missouri Medicaid Enrollment, Reverifications, Missouri Call Center Average Wait Time and Abandonment Rate, 2023, 23, citing CMS, Medicaid and CHIP CAA Reporting Metrics, at <https://data.medicaid.gov/dataset/ebcfc16f-8291-4c61-82a4-055846d72f3a#overview>, April 2025.

<sup>33</sup> In light of these challenges, it is not surprising that the "McKinsey Report" found significant dysfunction in Missouri's eligibility and enrollment systems:

Compared to other states and viewed from the customer-focused functional level (the integrated process of participant enrollment from eligibility determination to MCO enrollment, for example), *actual work processes often appear fragmented, process steps seem poorly integrated and best-practice management principles* are variably applied ... Perceived inefficiencies in handoffs between different parts of the organization (such as manual rework) are often accepted as "inevitable or unavoidable." Currently, outsourced roles do not appear to be optimally integrated or managed to ensure high performance of functions.

*Rapid Response Review, supra* note 30, p. 93.

<sup>34</sup> For a discussion of these issues, including the problems experienced by clients of Missouri legal aid offices, see Joel Ferber, *Bureaucracy Limits Access to Health Care for Missouri Children and Families*, Pedslines, Fall/Winter 2014, p. 4; Joel Ferber, *LSEM Combats Delays/Denials of Care that Lead to Health Disparities*, St. Louis American, July 14, 2016.

<sup>35</sup> Congressional Budget Office, *supra* note 2.

<sup>36</sup> Timothy McBride, Updates on Missouri Medicaid Enrollment, Reverifications, Missouri Call Center Average Wait Time and Abandonment Rate, 2023, 23, citing CMS, Medicaid and CHIP CAA Reporting Metrics, at: <https://data.medicaid.gov/dataset/ebcfc16f-8291-4c61-82a4-055846d72f3a#overview>, citing CMS, and Missouri Department of Social Services data, February 2025. The Department of Social Services stopped publishing this data on its website earlier this year.

<sup>37</sup> CMS, Medicaid and CHIP Eligibility Operations and Enrollment Snapshot, April 30, 2025, at: <https://www.medicaid.gov/resources-for-states/downloads/eligib-oper-and-enrol-snap-december2024.pdf>, p. 32-33

<sup>38</sup> Timothy McBride, *supra* note 36. Missouri also had a higher percentage of pending cases (18%) compared to the national average of 10%. *Id.*

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<sup>39</sup> These continuing concerns were discussed at a recent stakeholder meeting with State officials. Medicaid Advisory Group meeting notes, May 14, 2025.

<sup>40</sup> The legislation also repeals new eligibility and enrollment rules that would simplify access in the future for *all* Medicaid eligibility groups, including children and people with disabilities. That provision is slated to save the federal government \$162.7 billion dollars over ten years. Congressional Budget Office, Energy and Commerce Subtitle D, Part I, Medicaid. These provisions are not discussed herein nor are Missouri-specific numbers available but they will certainly make it even more difficult for Medicaid-eligible individuals to access coverage.