



JACKSON
COUNTY
PUBLIC
HEALTH



POLICY BRIEF

Medicaid at Risk: The Cost of Federal Work Requirements in Missouri

COMMUNITY ENGAGEMENT & POLICY DIVISION // JULY 2025



Medicaid in Missouri

Medicaid is a health insurance program for low-income families, pregnant women, seniors, and adults with disabilities. The program is a federal-state partnership where states administer the program, but it's funded jointly by both state and federal taxes. Medicaid covers almost 1.3 million Missourians, or roughly 20% of the state's population. The federal government covers about 78% of the total cost of Missouri's Medicaid program. In Jackson County alone, Medicaid covers approximately 160,000 people, or about 23% of the county's total population.

What Changed

The federal government adopted significant changes to the Medicaid program. Changes to Medicaid include added work requirements for able-bodied adults who qualify for coverage under the Expansion Adults group (adults making up to 138% of the federal poverty level). Specifically, Medicaid enrollees ages 19-64 will need to provide documentation showing they are working at least 80 hours a month, are enrolled in school, or completing 80 hours of community service a month. Exemptions are provided for those who are disabled, pregnant, or caring for a dependent child or elderly adult.

Additionally, the new law will require eligibility checks every 6 months instead of once a year. Both of these provisions will be costly to implement and will add a significant burden to state departments in charge of administering Medicaid. As a result of these changes, a significant number of Medicaid enrollees are expected to lose coverage.

There were a number of changes to federal Medicaid policy, but the scope of this brief will focus on the work requirements and increased eligibility checks.

The Unintended Consequences of Work Requirements

1

The majority of adults receiving Medicaid are already working

or qualify for an exemption. Studies estimate as many as 92% are either working or qualify for an exemption. Only 8% are not working or unable to find work (Hinton & Rudowitz, 2025).

2

Medicaid enrollees are more likely to lose coverage for procedural errors (i.e. backlogs, lost paperwork, etc.) than actual ineligibility.

Those who face barriers to providing documentation for their work hours or to receiving an exemption will lose their Medicaid coverage (Tolbert et al., 2023).

3

Those who do not have reliable access to the internet will be at higher risk, as many states will require enrollees to report work through an online portal (Missouri Budget Project, 2025).

4

Those who are in poor physical health or are disabled will also be at a higher risk of losing coverage, as they will need to show they qualify for an exemption. While the intent of the work requirements is to exempt these individuals, confusing paperwork requirements may make it difficult to apply for and receive an exemption. One study showed that those with disabilities often do not receive exemptions even if they qualify for one. Additionally, Black and Hispanic adults were more likely than White adults to lose their benefits after the implementation of work requirements (Brantley et al., 2020).

5

Work requirements do not lead to higher rates of employment, likely because work requirements do not address systemic barriers to work such as a lack of reliable transportation, the need for job skills training, childcare, or other reasons enrollees may not be working. (Hinton & Rudowitz, 2025)

The Impact on Missouri & Jackson County

In Missouri, the Family Support Division estimated it would take \$35 million to implement similar work requirements proposed at the state level during the 2025 session (State of Missouri, 2025). The Family Support Division has struggled historically with Medicaid applications and eligibility checks, and would need to hire a significant number of FTEs to effectively implement this policy change (Bates, 2024). In fact, during the 2023 – 2024 unwinding period when the state had to resume eligibility checks for the first time post COVID-19, **71% of those who lost coverage were disenrolled due to paperwork or procedural issues. Only 29% were truly ineligible, highlighting the state's struggle to conduct eligibility checks without enrollees incorrectly losing coverage** (Missouri Foundation for Health, 2025). The requirement that states verify eligibility every six months instead of just once a year will only further burden Missouri's already struggling infrastructure and increase the risk for incorrect disenrollments.

In Missouri, 1 in 8 Medicaid enrollees are expected to lose coverage.

Source: Manatt Health

In Missouri, about 161,000 people are expected to lose their Medicaid coverage. That's a 12% decrease from the current Medicaid rolls, or about one in eight Medicaid enrollees. These estimates are from an analysis put together by Manatt and funded by the

Missouri Foundation for Health. Expansion Adult enrollees are the largest group expected to lose coverage, with approximately 138,000 Missourians losing coverage, largely due to the implementation of work requirements. The remaining 23,000 represent the children, people with disabilities, seniors, and pregnant people across the state of Missouri who will lose coverage due to other Medicaid changes not discussed here (Manatt Health, 2025).

In Jackson County, 13,400 to 19,100 adult Medicaid enrollees are estimated to lose coverage.

Source: JCPH estimation using formulas from Manatt's April 2025 analysis of Arkansas and New Hampshire work requirements.

In Jackson County, 46,529 people are currently enrolled in Medicaid under the Expansion Adult group that will be required to follow work requirements (Washington University in St. Louis, 2025). Studies from states that have already implemented work requirements in some capacity allow us to make estimates on how this group might be impacted. Analyses assume that 50 – 60% of enrollees in this group would either be automatically exempted from work requirements or automatically determined to be in compliance. That represents around 23,000 – 28,000 people. Of the remaining enrollees, analyses from other states estimate that 72 – 82% would lose coverage. That represents around 13,400 – 19,100 people losing coverage in Jackson County alone (Manatt, 2025).

The Ripple Effects

Those who lose their health insurance coverage will be left to make difficult choices. Many will delay or forego needed healthcare, potentially allowing chronic health conditions like diabetes or heart disease to worsen. Those who are in most need of regular healthcare, such as those with disabilities or physical or mental health conditions that make finding work difficult, may be at the highest risk of losing coverage, as they may be unable to meet exemption requirements or may be victims of procedural terminations.

Although those who lose their Medicaid coverage will be most directly affected, the rise in uninsured individuals will have broader impacts across the community. Hospitals and community health centers will see an increase in uninsured patients and a decrease in patients whose care will be reimbursed by Medicaid, increasing their overall expenditures. Emergency department visits will increase as patients delay seeking treatment for conditions until they become serious enough for emergency room care, further straining hospital resources.

Missouri has been here before. In 2005, the state adopted cuts to Medicaid that resulted in over 100,000 people losing healthcare coverage. As a result, Missouri hospitals saw an 38% increase in uncompensated care (Zuckerman et al., 2009). This put hospitals in a difficult position, forcing them to raise prices, or even cut services, to make ends meet. Many hospitals responded by increasing the amounts they charged private insurance, raising healthcare costs and insurance premiums for everyone. Community health centers faced similar decisions. Many relied on grants or funding from the state or local governments to stay open, reducing the amount of funding available for other community priorities (Zuckerman et al., 2009; King, 2025).

The policy changes at the federal level will put Missouri hospitals and community health centers in a similar position once again. Thousands will lose access to healthcare and will be forced to decide between groceries, utility bills, and medical care. Many will forego treatment, leading to worsened health outcomes across the state. Healthcare providers will foot more of the bill, raising healthcare costs for all. Missouri faces a repeat of 2005 – with increased hardship for families, worse health outcomes, and mounting strain on the entire healthcare system.

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