

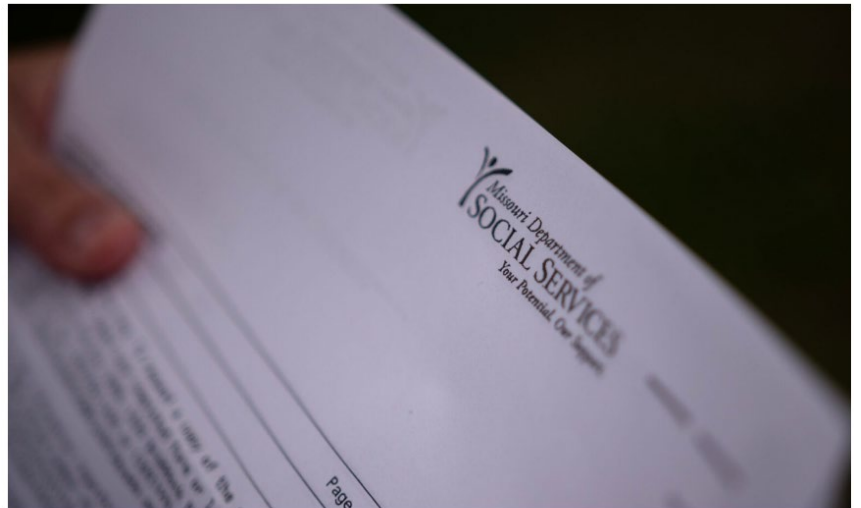
Medicaid paperwork problems continue to cost thousands of Missourians coverage

Advocates warn new federal work rules could strain a state system already dropping eligible people because of missed or unprocessed forms

By: [Steph Quinn](#)-June 10, 20265:55 am

More than 333,000 Missourians lost Medicaid coverage from January 2025 through February 2026, with nearly 92% dropped because of paperwork issues — not because the state determined they no longer qualified.

The data, from the U.S. Centers for Medicare & Medicaid Services, shows 333,265 Missourians lost coverage during that period. Of those, 91.9% were classified as procedural terminations, meaning the Missouri Department of Social Services could not determine whether they were still eligible because of missing forms, incomplete information or other paperwork problems.



Legal advocates say clients' cases are sometimes automatically terminated even when they submitted their Medicaid renewal paperwork on time (Annelise Hanshaw/Missouri Independent).

That has healthcare and legal advocates worried as Missouri prepares to implement new federal Medicaid work requirements and twice-yearly eligibility reverifications beginning Jan. 1, 2027.

The new requirements, included in the One Big Beautiful Bill signed last year, apply to adults covered through Medicaid expansion. Advocates were already concerned that eligible Missourians would lose coverage because of paperwork they didn't receive, did not understand or that never got processed by the state.

Now they say a rule released last week by the Centers for Medicare & Medicaid Services could require additional paperwork as part of Medicaid applications and renewals, potentially causing more procedural terminations and processing delays across the state's Medicaid system.

The rule narrows an exemption from work requirements for people considered "medically frail" — a category patient advocates had hoped would cover people with acute illnesses that limit their ability to work.

But while other exemptions would be met just by falling into a category like being recently incarcerated or getting treatment for a substance disorder, to exempt someone as "medically frail," states would have to determine both that someone has a qualifying condition and that it "significantly impairs the individual's ability to comply" with work requirements.

Emily Kalmer, a lobbyist for the American Cancer Society Cancer Action Network, said she worries cancer patients will lose coverage or experience interruptions in care because of the rule.

“When you’re going through something like cancer and you’re fighting for your life, now you’re saying that the thing that you need to help you get the treatments that you need is going to be bogged down with even more paperwork,” Kalmer said. “The state has been having challenges processing the paperwork they get right now.”

States are required to attempt to renew Medicaid coverage using information sources already available to them before requesting information from enrollees — a process known as *ex parte* verification. But Missouri only conducted 56.5% of renewals that way in the last quarter of 2025, [according](#) to the Center for Children and Families at Georgetown University. That’s close to the national average.

When the department needs more information, enrollees receive non-renewal letters, including a form they must return within 30 days.

Baylee Watts, a spokesperson for the department, told The Independent in an email that the primary causes of procedural terminations are “missing information or required actions not being completed, such as the renewal form not being returned and requested verification not being provided.”

But Tim McBride, a professor of public health at Washington University in St. Louis who previously served on Missouri’s Medicaid oversight board, told The Independent recipients don’t always receive the form if they don’t have a physical address or if the address on file with the department is incorrect. And he said it’s not always clear to enrollees who receive the form what the department needs from them.

“I’ve seen the letters, and they’re really complicated,” McBride said. “They’re kind of abstruse, to be honest with you.... We’ve heard from someone, ‘I thought it said I still had Medicaid.’”

In 2025, Missourians were dropped from Medicaid at renewal at a higher rate than throughout the U.S., with a lower percentage keeping coverage and higher percentage left pending per month, [according to McBride](#).

Kate Holley, a senior attorney for Legal Services of Eastern Missouri who assists clients with public benefit applications, told The Independent the letters sometimes list incorrect reasons for enrollees’ pending non-renewal.

“The reason that’s listed may not even be accurate,” Holley said. “It’s just what the system pulled. Often there’s several, and not all of them are correct. So really, a person needs to parse through all that and figure out, ‘What do I need to do here? What do you want me to do?’ And that’s before even trying to engage with the agency.”

The department has drawn scrutiny from the Centers for Medicare & Medicaid in the past for application processing times in excess of the 45-day federal maximum. Federal officials [initiated](#) a mitigation plan in July 2022 after processing times reached 116 days that June and stepped in to conduct a [“focused review”](#) in 2024. The department’s numbers had improved but crept back up, so that in February 2024 72% of applications took more than 45 days to process.

In February 2026, about a third of applications took more than 45 days to process, compared to 7% nationwide.

Even when recipients return the form — listing their employment, earnings and assets like cars, and attaching paystubs — advocates said they can lose coverage because the paperwork doesn’t get processed.

The department’s computer system sometimes automatically terminates clients’ coverage if staff don’t begin processing their paperwork before the 30-day deadline, said Joel Ferber, director of advocacy at Legal Services of Eastern Missouri.

“We have all these clients that send in all their paperwork, and it doesn’t get processed, but the system closes the case,” Ferber said.

Part of the problem, Holley said, is department staff have to complete much of the process manually.

“Somebody has to take it out of the portal, look who submitted it, file it in that person’s electronic file,” Holley said. “And if [the recipient] does [the paperwork] a couple days before they’re set to close and then they’re two weeks behind, that person’s going to get auto-closed, auto-terminated.”

The department has been trying to [automate more of these processes](#) ahead of the January federal deadline to implement Medicaid work requirements, saving staff “manual touches.”

But experts worry the new rule from the Centers for Medicare and Medicaid could interrupt attempts to streamline processing.

Tricia Brooks, a research professor at the Georgetown Center for Children and Families, told The Independent that states have been preparing to automate exemptions such as the one for medical frailty using diagnosis codes for qualifying medical conditions. But the requirement to show that someone can’t work is more complicated, she said.

“I don’t see how you’re going to automate this kind of exclusion,” Brooks said. “You could have automated it based on diagnosis codes, but those aren’t going to tell you the ability to work, so they’re going to have to muddle through this.”