



Frivolous Lawsuit Seeking to Force Medicaid Expansion in Missouri

OVERVIEW

On May 20, 2021, a lawsuit was filed in the Cole County Circuit Court in Missouri's 19th Judicial Circuit requesting the court to compel the state to expand Medicaid based on two arguments:

FLAWED ARGUMENT #1:

Contrary to the public record, the legislative actions taken by the Missouri House and Senate, and the statement by the Governor, funds were appropriated by the state to support Medicaid expansion. This is because HB11, which funds the Department of Social Services (DSS) **does not specifically state that funds may not be used for expansion**, claim the plaintiffs.

FLAWED ARGUMENT #2:

By refusing to expand Medicaid, the state is **failing to maximize federal funding for medical assistance** in accordance with Section 36(c) of the Missouri Constitution.

Both of these arguments are legally flawed.



A hearing on stipulated facts has been set for June 18, 2021 before Circuit Judge Jon Beetem.

THE BOTTOM LINE

The lawsuit is likely to fail for two reasons:

1

The plaintiffs' claim that there is appropriation authority to implement Medicaid expansion in Missouri is patently false, as such funding was specifically removed from the spending bill by the General Assembly prior to its passage. The plaintiffs' claim that the failure of HB11 to specifically state that the funding it provided to DSS could not be used for expansion means it must be used for expansion, defies logic. Spending bills need only describe what they will fund, not what they don't.

2

The plaintiffs' claim that refusing to expand Medicaid violates the Missouri Constitution is without merit. The provision plaintiffs cite is taken from Section 36(c), which, as stated above, is unfunded. Without funding for this section, it is impossible to "maximize federal financial participation in funding medical assistance pursuant to this section." The argument is without merit and will likely fail.



Frivolous Lawsuit Seeking to Force Medicaid Expansion in Missouri

KEY POINTS



The Missouri Medicaid Expansion Initiative Did Not Include a Funding Appropriation.

- In 2020, proponents of Medicaid expansion in Missouri attempted to circumvent the General Assembly by passing a constitutional amendment through the ballot initiative process.
- After multiple court decisions, the measure was allowed to be included on the ballot, but only after a finding that the amendment did not mandate any particular appropriation, as doing so would have violated Missouri's Constitution.
- The proposed amendment narrowly passed in August 2020.



The State General Assembly Did Not appropriate Funds to Support Medicaid Expansion.

- In March 2021, after thoughtful deliberation, the Missouri House Budget Committee voted down HB20, refusing to provide funding for Medicaid expansion.
- In late April, the Missouri Senate did the same, voting down a proposed amendment to HB10 that would have included funding for expansion.
- Ultimately, the spending passed by the General Assembly did not appropriate any funds for Medicaid expansion.



Without Funding, Medicaid Expansion Cannot Occur.

- On May 13, 2021, Missouri Governor Mike Parson withdrew requests to expand coverage submitted in February and April 2021 stating that, "[w]ithout a revenue source or funding authority from the General Assembly, we are unable to proceed with the expansion at this time and must withdraw our State Plan Amendments to ensure Missouri's existing MO HealthNet Program remains solvent."

