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**Contact:** Amy Blouin, 314-518-8867, [ablouin@mobudget.org](mailto:ablouin@mobudget.org)

### **Congress Passes Budget Reconciliation**

*Community leaders respond to passage of the budget reconciliation bill, which puts health coverage and food assistance for hundreds of thousands of Missourians on the chopping block*

In a final vote this morning, the U.S. House of Representatives chose to take health coverage and food assistance away from Missourians, shift costs to states, and make life harder for families struggling to make ends meet. The bill enacts a massive wealth transfer from working class people to the ultra-rich, providing huge tax cuts for corporations and people earning \$500,000 or more each year, while slashing support for basic needs, broadly increasing health care and insurance costs, and hurting rural economies.

“Despite the rhetoric from DC, this bill will create a severe economic crisis for hundreds of thousands of Missourians which will have ripple effects throughout our economy that impact all Missourians,” said **Amy Blouin, President and CEO of Missouri Budget Project, a nonprofit public policy analysis organization that analyzes state budget, tax, and economic issues.** “The drastic cuts to Medicaid are expected to eliminate health coverage for more than 170,000 Missourians, including children, older adults, Missourians with serious health conditions and disabilities, veterans, and workers with low-paying jobs.”

“The bill further undermines our country’s long-standing commitment to make sure families don’t go hungry,” Blouin continued. “100,000 Missourians will lose SNAP food assistance for their families and hundreds of thousands more could see benefits reduced”.

Blouin’s concerns were echoed by community leaders across Missouri, “Having quality health coverage is one of the most important factors in whether someone survives a cancer diagnosis. Every Missourian will be impacted by this monumental bill, including cancer patients, survivors, and those who will be diagnosed”, said **Emily Kalmer, Missouri Government Relations Director of the American Cancer Society Cancer Action Network.**

“Fighting cancer is hard enough. Missourians shouldn’t have to keep fighting to keep their health coverage. We’ll keep fighting with them, lives depend on it.”, Kalmer said.

**Wendy Orson, Chief Executive Officer of the Behavioral Health Network of Greater St. Louis** expressed particular concerns for Missourians struggling with mental health conditions, “Medicaid work requirements are a serious threat to people with behavioral health conditions. Many face real challenges that make it hard to meet rigid work rules or reporting deadlines. These policies will just risk cutting people off from stable access to care, creating worsening symptoms and poorer outcomes,” Orson said.

The final version of the bill doubles down on the harm that will be inflicted on Missourians, making even deeper cuts to basic needs programs than what was originally proposed. The bulk of these cuts come from:

- Creating new barriers and red tape for both Medicaid (called MO HealthNet in Missouri) and Supplemental Nutrition Assistance (SNAP), which would cause eligible Missourians to lose health insurance and food assistance.
- Shifting large costs to states, which will likely force additional cuts to health care and food assistance, or other deep cuts to state services like K-12 education.

Missouri already faces a steep budget cliff, as Governor Kehoe announced earlier this week when he vetoed \$500 million in state general revenue from the state budget. The Governor noted that he expects a \$1 billion shortfall in the next budget year. Missouri will struggle to pick up the costs from the federal cuts, and state lawmakers will face extremely difficult choices, like whether to get rid of SNAP in Missouri, eliminate optional benefits like home- and community-based services that keep people living in their communities, or cut funding for services like education.

“The financial burden this legislation shifts to the states threatens to destabilize our already strained Medicaid program, forcing difficult budget choices that will likely result in further cuts to essential services. The consequences will be felt not only by individuals and families, but also by the very healthcare safety net organizations working to serve them. Health centers and rural hospitals across the state may be pushed toward closure, undermining access to care for entire communities. We urge policymakers to reconsider the long-term impact of this legislation on the health and well-being of all Missourians.” - **Andwele Jolly, President & CEO of St. Louis**

#### **Integrated Health Network**

Rural areas would see significant Medicaid cuts, with Missouri’s rural health care providers facing a cut of \$5.4 billion, the 10<sup>th</sup> highest cut in the country, according to new research from the Kaiser Family Foundation. Rural hospitals and health clinics often operate on very thin margins, and they rely on Medicaid payments to keep their doors open.

“With the passage of this bill, rural Missouri is facing a healthcare crisis. Medicaid cuts mean hospital and clinic closures, lost healthcare jobs, and thousands of families with nowhere to turn for care. Our rural communities have been abandoned at a time they need support the most.” **Heidi N. Lucas, Executive Director, Missouri Rural Health Association.**

“The Senate’s rural hospital fund is like a band-aid on a severed artery,” **said Blouin.** “The Senate’s massive cuts are permanent, and this temporary fund will only cover a fraction of the losses our communities will face”.

Health care service providers were joined in expressing their concerns by community organizations from across the state that represent children, working families and older adults.

“For low-income families, rural residents, older adults, and people with disabilities, changes to Medicaid are not abstract policy shifts—they directly affect access to care, stability, and dignity. The Community Health Commission of Missouri will continue to stand with those most affected and with the providers who care for them, working to advance policies rooted in equity, compassion, and common sense,” said **Riisa Rawlins, Chief Executive Officer, Community Health Commission of Missouri**

“The federal reconciliation bill imposes funding cuts and administrative barriers on programs that support children and families, jeopardizing their access to basic needs like healthcare and food. The ripple effects of this legislation will drive up healthcare costs, limit access to care, and place additional strain on Missouri families,” said **Brian Schmidt, Executive Director of Kids Win Missouri.**

"For decades, **Area Agencies on Aging (AAAs)** have been the lifeline for our seniors, individuals with disabilities, and their families, providing essential services that allow them to live with dignity and independence. The passage of this reconciliation bill, with its profound cuts to programs like Medicaid, feels like a direct hit to the heart of what we do. It will undoubtedly make it harder for the most vulnerable among us to access the care, nutrition, and support they desperately need, " said **Julie Peetz, Executive Director, Missouri Association of Area Agencies on Aging**

“This entire bill is about choices. Congress has made the choice to increase the nation’s deficit and prioritize the wants of the 1% over the basic needs of millions of Americans,” concluded Blouin.

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