



MEDICAID EXPANSION HAS HARMED THE TRULY NEEDY

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Chairman Johnson, Ranking Member Blumenthal, and Members of the Committee, thank you for hosting this important hearing. I am Nick Stehle, the Vice President of Communications at the Foundation for Government Accountability (FGA). FGA has worked for many years on a wide variety of policy areas, including welfare, workforce, health care, and more.

In my role at FGA, I have worked in depth on several key federal policy issues, including Medicaid. I have also experienced the shortfalls of the Medicaid program as it currently exists on a personal level, as my teenage son requires constant attention for autism and epilepsy.

These professional and personal experiences have led me to the conclusion that now more than ever, the Medicaid program desperately needs reform to promote work over welfare; protect the truly needy; and root out waste, fraud, and abuse.

Medicaid expansion has been a failure

The Medicaid program is on a completely unsustainable path, thanks to ObamaCare's Medicaid expansion. Total federal spending on the program has increased fivefold since 2000.¹ Those costs have grown by more than 60 percent since 2019 alone and are on track to reach more than \$1 trillion per year over the next decade.² Despite this massive growth, the program is expected to consume an ever-larger share of the federal budget, crowding out resources for other core priorities.³

Expansion able-bodied adults are driving soaring costs

The primary driver of this spending growth has been enrollment.⁴ The biggest reason for the increase in enrollment is not a growing number of truly needy individuals, but instead an increase in the number of able-bodied adults on Medicaid.⁵ This population has increased from roughly seven million in 2000 to a staggering 34 million today thanks largely to Medicaid expansion.⁶ Shockingly, federal taxpayers now spend more on Medicaid for able-bodied adults than for the elderly, individuals with disabilities, or low-income children.⁷

Medicaid was always intended as a safety net for the truly needy, but somehow able-bodied adults have become the program's top priority. Indeed, due to ObamaCare, Congress has given states massive financial incentives that all but guarantee able-bodied adults move to the front of the line.⁸ For every state dollar spent on Medicaid for children, the elderly, or individuals with disabilities, federal taxpayers match \$1.33.⁹ But every state dollar spent on able-bodied adults enrolled through ObamaCare's Medicaid expansion draws down \$9 from federal taxpayers.¹⁰

The financial incentives faced by states are perverse and the truly needy ultimately pay the price.

Medicaid expansion has left the most vulnerable behind

Medicaid expansion's ballooning enrollment—caused both by able-bodied adults who refuse to work and by waste, fraud, and abuse—has left the most vulnerable behind. Across the nation, more

than 700,000 individuals—most of whom have intellectual or developmental disabilities—are stuck on Medicaid waiting lists for needed home and community-based services.¹¹

The average wait for these services can last nearly 16 years in some states.¹² Many of these individuals will die before ever receiving the services they need.¹³⁻¹⁴ In the dozen states that were able to provide responsive data, more than 36,500 individuals died on these waiting lists just since those states expanded Medicaid to able-bodied adults under ObamaCare.¹⁵

These aren't just numbers on a sheet of paper. These are real people, including kids with intellectual or developmental disabilities. Real people, like my son Luke.

Luke has severe autism and epilepsy, and he needs constant attention. Though he probably had his first seizures in utero, the first seizure we saw was at just seven weeks. I held my newborn son as he seized. It took my wife Lee Ann and me taking him to multiple hospitals before someone finally believed us. It would take us 16 years to get a real answer. Last year, we found out that Luke has a random gene mutation that only a handful of people in the entire world have been found to have, which leads to severe intellectual disability and intractable epilepsy that is resistant to multiple medications. Luke is a sweet and happy kid—now almost a young man. He enjoys video games, Star Wars, hunting for diamonds with his grandparents at Crater of Diamonds State Park in Arkansas, and fiercely loves his brother and his two sisters—Peter, Joelle, and Isabel. A couple of years ago, we sought out help—through a Home and Community-Based Services waiver—so that he can get the critical Medicaid services he needs to help him be a part of the community and so that he can receive in-home care when my wife and I can't be there. At the time, we were told the average wait for someone like him was 11 years. He becomes an adult in a little over 200 days. At this point, we don't know when he'll ever move off that waitlist.

It is easy to talk about Medicaid reform from behind a computer screen or in a hearing room. It's another thing entirely to live it. I see firsthand how illegal aliens, ineligible enrollees, and able-bodied adults who refuse to work are siphoning away resources that can—and should—go to fund services for our most vulnerable. These favored groups have moved to the front of the line while kids like Luke languish for decades before receiving the services they need.

The One, Big, Beautiful Bill is helping to get Medicaid back on track

Thankfully, there is hope on the horizon for families like mine. The One, Big, Beautiful Bill passed by Congress and signed into law by President Trump implements commonsense changes to the Medicaid program, like work requirements, anti-fraud measures, restrictions on Medicaid for illegal aliens, and more.

These commonsense changes will move millions of able-bodied adults from welfare to work, crack down on fraud, and, perhaps most importantly, **refocus the program on the truly needy.**¹⁶⁻¹⁷ Families like mine that have been harmed by the detrimental effects of Medicaid expansion will have hope on the horizon for the first time in years.

Medicaid needs to be set on a sustainable track—one that protects the individuals it was intended to serve, rather than sending them to the back of the line.

I'm grateful for this Committee's work on this incredibly important issue and appreciate the opportunity to testify.

References

¹ Michael Greibrok and Jonathan Ingram, "Medicaid work requirements would help move millions of able-bodied adults from welfare to work," Foundation for Government Accountability (2025), <https://thefga.org/research/medicaid-work-requirements-from-welfare-to-work>.

² Liesel Crocker, "How Congress can put a stop to states' provider tax schemes in Medicaid and save billions," Foundation for Government Accountability (2025), <https://thefga.org/research/congress-can-put-stop-states-provider-tax-schemes-medicaid>.

³ Congressional Budget Office, "January 2025 10-year budget projections," Congressional Budget Office (2025), <https://www.cbo.gov/system/files/2025-01/51118-2025-01-Budget-Projections.xlsx>.

⁴ Michael Greibrok and Jonathan Ingram, "Medicaid work requirements would help move millions of able-bodied adults from welfare to work," Foundation for Government Accountability (2025), <https://thefga.org/research/medicaid-work-requirements-from-welfare-to-work>.

⁵ Ibid.

⁶ Ibid.

⁷ Ibid.

⁸ Paige Terryberry, "How Congress can fix the flawed financing structure for Medicaid expansion and reprioritize the truly needy," Foundation for Government Accountability (2025), <https://thefga.org/research/congress-fix-flawed-financing-structure-medicaid-expansion>.

⁹ Ibid.

¹⁰ Ibid.

¹¹ Author's calculations based upon data provided by state Medicaid agencies on the number of individuals on waiting lists for Medicaid-funded home and community-based services.

¹² Author's calculations based upon data provided by state Medicaid agencies on the average wait time to receive services once an individual has been added to the state's home and community-based services waiver waiting list.

¹³ Nicholas Horton, "Waiting for help: The Medicaid waiting list crisis," Foundation for Government Accountability (2018), <https://thefga.org/research/medicaid-waiting-list>.

¹⁴ Jonathan Ingram, "Hundreds on Medicaid waiting list in Illinois die while waiting for care," Illinois Policy Institute (2016), <https://www.illinoispolicy.org/hundreds-on-medicaid-waiting-list-in-illinois-die-while-waiting-for-care-2>.

¹⁵ Author's calculations based upon data provided by state Medicaid agencies on the number of individuals removed from the state's home and community-based services waiver waiting list because they were deceased in the period after those states expanded Medicaid under ObamaCare.

¹⁶ Michael Greibrok and Jonathan Ingram, "Medicaid work requirements would help move millions of able-bodied adults from welfare to work," Foundation for Government Accountability (2025), <https://thefga.org/research/medicaid-work-requirements-from-welfare-to-work>.

¹⁷ Jonathan Bain et al., "How federal lawmakers can combat waste, fraud, and abuse in Medicaid," Foundation for Government Accountability (2025), <https://thefga.org/research/federal-lawmakers-can-combat-waste-fraud-and-abuse-in-medicaid>.