

In some US states, not poor enough for health care

August 14 2012, by CARLA K. JOHNSON

Sandra Pico is poor, but not poor enough. She makes about \$15,000 a year, supporting her daughter and unemployed husband. She thought she'd get health insurance after the Supreme Court this year upheld President Barack Obama's health care law.

Then she heard that her state's governor won't agree to the federal plan to extend [Medicaid coverage](#) to people like her in two years.

"You fall through the cracks and there's nothing you can do about it," said the 52-year-old. "It makes me feel like garbage, like the American dream, my dream in my homeland, is not being accomplished."

Many [working parents](#) like Pico are below the federal poverty line but don't qualify for [Medicaid](#), a decades-old state-federal [health insurance](#) program and the nation's single largest insurer. That's especially true in states where conservative governors say they'll reject the Medicaid expansion under Obama's health law.

In Florida, making \$11,000 a year is too much for Medicaid for a family of three. In Mississippi, \$8,200 a year is too much. In Louisiana and Texas, earning more than just \$5,000 a year makes you ineligible for Medicaid.

Governors in those states, as well as South Carolina, have said they'll reject the Medicaid expansion underpinning Obama's health law after the Supreme Court's decision gave states that option. Many of those hurt

by the decision are working parents.

When the Supreme Court ruled that states could opt out of the health law's Medicaid expansion, it raised the chances for [inequity](#) at a time when more Americans have fallen from the middle class into poverty, said Isabel Sawhill, a senior fellow at the Brookings Institution.

"Why should a [sick person](#) in Connecticut have access to health care when they don't in Mississippi and Texas?" Sawhill asked. "We really do have a very high level of poverty as a result of the recession. And the safety net is weaker than ever."

Governors who object to the expansion are in favor of smaller government.

"We don't need the federal government telling us what to do when it comes to meeting the needs of the citizens of our states," Florida Gov. Rick Scott wrote recently in an opinion piece for U.S. News and World Report.

Many conservatives view Medicaid as a wasteful, highly flawed program. Many doctors across the country won't treat Medicaid patients because the payments they receive are so low.

The presidential election is less than three month away. Republican challenger Mitt Romney's new running mate, conservative congressman Paul Ryan, has a budget plan that would turn Medicaid over to the states and sharply limit federal dollars.

Medicaid now covers an estimated 70 million Americans and would cover an estimated 7 million more in 2014 under the Obama health law's expansion. In contrast, Ryan's plan could mean 14 million to 27 million Americans would ultimately lose coverage, even beyond the effect of a

repeal of the health law, according to an analysis by the nonpartisan Kaiser Family Foundation of Ryan's 2011 budget plan.

The political rhetoric during a presidential campaign focuses on the middle class and leaves the uninsured working poor largely invisible, said Rand Corp. researcher Dr. Art Kellermann.

"We hear a lot of talk about unemployment and the aspirations of middle-class Americans. But we don't hear about the consequences of unemployment and the consequences of the collapsing middle class," Kellermann said. Losing health insurance is one of those consequences.

Most states cover children in low-income families. Manuel and Sandra Pico's 15-year-old daughter is covered by Medicaid. But the Miami couple can't afford private insurance for themselves. Sandra Pico would like to work full time but can't afford to pay someone to watch her 34-year-old sister, who has Down syndrome.

"No matter how hard I work, I'm not going to get anywhere," Sandra Pico said. "If you're not rich, you just don't have it."

In most of the states where governors are rejecting or leaning against the expansion, the income level that disqualifies a parent from Medicaid is stunningly low.

In contrast, states where governors have said they'll expand Medicaid are more generous with working parents. The Medicaid eligibility cutoff ranges in those states from Washington's \$13,527 to Minnesota's \$39,840.

The national [health law](#)'s Medicaid expansion would start covering all citizens in 2014 who make up to roughly \$15,400 for an individual, \$30,650 for a family of four.

The federal government will pay the full cost of the Medicaid expansion through 2016. After that, the [states](#) will only pick up 5 percent of the cost through 2019, and 10 percent of the cost thereafter.

Medicaid was created in 1965 as a companion program to welfare cash assistance to single parents. Today, the elderly and disabled cost nearly 70 cents of every Medicaid dollar, not the stereotypical single mother and her children.

What's largely unknown to many Americans is who is left out of the [safety net](#), said Cheryl Camillo, a senior researcher at Mathematica Policy Research. "A huge chunk of the populace is not covered, even by Medicaid," she said.

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