

Big gap looms for poor in Obama health care law

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This handout photo provided by the Brookings Institution, taken Tuesday, June 25, 2013, shows Health and Human Services Director of the Center for Consumer Information and Insurance Oversight Gary Cohen speaking at the Institution in Washington. _ Nearly 2 in 3 uninsured low-income people who would qualify for subsidized coverage under President Barack Obama's health care law may be out of luck next year because their states have not expanded Medicaid. An Associated Press analysis of figures from the Urban Institute finds a huge coverage gap developing, with 9.7 million out of 15 million potentially

eligible low-income adults living in states that are refusing the expansion or still are undecided with time running short. (AP Photo/Brookings Institution, Paul Morigi)

(AP)—President Barack Obama's historic promise of health insurance for nearly all U.S. residents looks unlikely to be fulfilled as envisioned—with nearly two in three uninsured low-income people who would qualify losing out—because many states are refusing to go along.

An Associated Press analysis of figures from the Urban Institute finds a big coverage gap developing, with 9.7 million out of 15 million potentially eligible adults living in [states](#) that are refusing the expansion of the Medicaid [health coverage](#) program for the poor, or are still undecided.

That a majority of the neediest people who could be helped by the country's sweeping health care overhaul may remain uninsured is a predicament seemingly unforeseen by Obama and fellow Democrats in Congress who designed a dramatic extension of the [social safety](#) net.

It's the direct consequence of last summer's Supreme Court decision on the landmark "Obamacare" plan that gave states the right to opt out of the Medicaid expansion, combined with resistance to the law from many opposition Republican state lawmakers.

Expanding Medicaid is essential to Obama's two-part strategy for covering the uninsured.

Starting next year, middle-class people without coverage through their jobs will be able to get tax credits to help them buy [private insurance](#). But the law calls for low-income people to enroll in Medicaid, expanded

to accommodate a largely excluded group: adults with no children at home.

Expanded Medicaid would cover about half of the 25 million to 30 million people who could be helped by the law. Medicaid already covers more than 60 million people, including many elderly nursing [home residents](#), severely [disabled people](#) and many low-income children and their mothers.

Twenty-three states and the District of Columbia have decided to accept the expansion, which is fully financed by Washington for the first three years. The AP's check of the states finds 18 not expanding and nine where the outcome is still undecided.

The majority of low-income Americans newly eligible for Medicaid live in well-populated states such as Texas, Florida and Georgia, where political opposition remains formidable.

Many Republican state lawmakers believe Medicaid has too many problems already. Some believe [health care](#) is an individual responsibility, not a government obligation.

Republican health policy expert Gail Wilensky said she did not expect so many states to turn down the Medicaid expansion. While critical of some features of the Affordable Care Act, Wilensky believes it's important for the U.S. to get uninsured people covered.

"This is depriving the poorest of their citizens of an important benefit," said Wilensky, who ran Medicare and Medicaid during the administration of President George H.W. Bush.

As originally designed, the Medicaid expansion was supposed to cover households making up to 138 percent of the federal poverty level, about

\$15,860 for an individual or \$32,500 for a family of four. Under the law, Medicaid is the only coverage option for people below the poverty line, \$11,490 for an individual, or \$23,550 for a family of four.

"This decision will have very real human costs for the adults who are going to remain uninsured and their families," said Genevieve Kenney, co-director of the Urban Institute's health policy center. "It seriously undermines the ability of the Affordable Care Act to substantially reduce the number of uninsured in this country, at least at the beginning."

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