Hundreds of thousands hit by anti-immigrant measure

US: Medicaid recipients denied benefits under proof of citizenship law

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Under a federal law enacted July 1 of 2006, hundreds of thousands of US citizens have been dropped from state Medicaid programs. The law, a provision of the Deficit Reduction Act of 2005, requires all Medicaid applicants and enrollees to present proof of their identity and citizenship in order to qualify for the health coverage. The rule was pushed by its Republican sponsors in the House as a way to shut undocumented immigrants out of receiving federally funded medical coverage.

As states implement the law, more than 50 million Medicaid recipients will be required to furnish original documents such as passports, birth certificates, and social security cards, causing enormous backlog and delay in their re-approval.

Medicaid, the government health coverage program for the poor, is jointly funded through federal and state-level budgets. Beyond meeting minimum federal standards for care and oversight, states are allowed certain flexibility in how the program is administered. However, states have been placed under significant pressure to comply with the documentation rules or have federal funding revoked.

The Center on Budget and Policy Priorities reports that for the states that have implemented the new requirement, Medicaid enrollment has dropped dramatically, particularly among low-income children. The two major reasons for the decline are that beneficiaries cannot produce the required documents, and because eligibility determinations are being delayed due to the volume of paperwork.

Jeff Nelligan, representing the federal Centers for Medicare and Medicaid Services, told the *New York Times* March 11 that the new requirements were "intended to ensure that Medicaid beneficiaries are citizens without imposing undue burdens on them" or on the state agencies. "We are not aware of any data that shows there are significant barriers to enrollment." He added, "If states are experiencing difficulties, they should bring them to our attention."

According to the *Times*, Florida, Iowa, Kansas, Louisiana, New Mexico, Ohio, and Virginia have already reported declines in enrollment stemming from the proof of citizenship requirement.

In Florida, 63,000 children were cut from Medicaid in six months. "We've seen an increase in the number of people who don't qualify for Medicaid because they cannot produce proof of citizenship," Albert A. Zimmerman, a spokesman for the Florida Department of Children and Families, told the paper. "Nearly all of these people are American citizens." This is a familiar refrain throughout the country.

In the second half of 2006, Iowa's Medicaid roll dropped by 5,700. Iowa Department of Human Services director Kevin Concannon told the *Times*, "The largest adverse effect of this policy has been on people who are American citizens." Concannon remarked, "We have not turned up many undocumented immigrants receiving Medicaid in Waterloo, Dubuque or anywhere else in Iowa."

Louisiana experienced a loss of more than 7,500 children from Medicaid from September to October, in spite of an outreach program in public schools. Louisiana Department of Health and Hospitals' deputy Medicaid director J. Ruth Kennedy told the Center on Budget and Policy Priorities, "These numbers are not driven primarily by the loss of population from New Orleans and other parishes affected by Hurricane Katrina." She added that the overwhelming majority were children born in Louisiana, not immigrants.

Ohio's Medicaid program declined by 39,000 enrollees, the largest drop in 10 years, after the new requirements were implemented. More than 10,000 enrollees in New Mexico, mostly children, were cut when the law went into effect in January.

In Virginia, 13,300 children have been dropped from the program since July. Cindi Jones, chief deputy of the state's Medicaid program explained, "The federal rule closed the door on our ability to enroll people over the telephone and the Internet, wiping out a full year of progress in covering kids."

In Georgia, around 100,000 low-income children are now uninsured after losing Medicaid benefits. Dr. Martin Michaels, president of the state's chapter of the American Academy of Pediatrics, told the *Times*, "Many of these children have missed immunizations and preventive health visits. And they have been admitted to hospitals and intensive care units for conditions that

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normally would have been treated in a doctor's office." Because of lost prescription drug coverage, Michaels added, "Some of these children had asthma attacks and had to be admitted to hospitals."

Wisconsin health authorities have a mechanism in place to track trends in enrollment relating specifically to the documentation requirement. Officials there state that 14,000 Medicaid-eligible residents were turned away between August and December. "From August 2006 to February of this year, we terminated benefits for an average of 868 people a month for failure to document citizenship or identity," James D. Jones, the eligibility director of the Medicaid program in Wisconsin told the CBPP. "More than 600 of those actions were for failure to prove identity." Over the same period, Jones said, the state denied an average of 1,758 applications a month for failure to document citizenship or identity.

On March 6, the *Seattle Times* reported that Washington state had filed suit in US District Court against the federal Departments of Health and Human Services over the proof of citizenship requirement. The suit charges that the new policy discriminates against infants born to low-income undocumented immigrants.

Under current law, Medicaid funds may be used to deliver a newborn baby but subsequently the child may be denied care because of lack of documentation. Any person born within the US border is automatically a citizen under the Constitution, regardless of the citizenship status of their parents. For these children, the citizenship requirement is a violation of constitutional rights. The law is simply one more xenophobic, anti-immigrant measure targeting poor foreign-born workers and their families.

Washington Governor Chris Gregoire told the *Seattle Times* the regulation was "a bureaucratic morass, legally wrong, and I absolutely believe from a moral perspective, it's wrong, fundamentally wrong." The state plans to request that the court block the law in Washington until it has been legally reviewed. Gregoire said, "How in the world can a state discriminate against United States citizens simply because of something their parent is or is not? Let's do the right thing by these children."

The situation in Kansas in many respects exemplifies the problem nationwide. Since last July, 20,000 Kansans, three-quarters of them children, have lost coverage. In a March 12 report from the Kansas Health Institute, the state's Health Policy Authority (KHPA) director, Marcia Nielsen, explained that Kansas' loss was higher than most surrounding states for two reasons. First, "Because of the way our eligibility system is set up, we have been able to identify—far more quickly than most states—how many people are losing benefits.

"Second," Nielsen noted, "other states have not implemented all the same systems that Kansas has—for example, California hasn't implemented any system yet." Indeed, the effect the new rules have had on states so far are a clear indication of what is in store for the national Medicaid rolls in the coming year.

Speaking to the *Times*, KHPA spokeswoman Megan Ingmire noted that waiting time for applicants was drawn out by the "huge backlog" of pending applications in the system clearinghouse. "Applicants need more time to collect the necessary documents, and it takes us longer to review the applications."

According to Jennine Morrone, a social worker at a center in southeastern Kansas, quoted in the Kansas Health Institute report, "The clearinghouse doesn't work. First of all, they never see the client—that's my biggest complaint. I tell people to call the clearinghouse and they can't get through. The line's busy, it's always busy." Morrone pointed out that processing times have gone from three weeks to three months because of the new law. "It can be two months before they let you know you didn't send in everything you're suppose to send in," she said.

Significantly, Robert Harder, a former secretary of the Kansas Medicaid processing agency commented, "What tends to get overlooked in all this is that we've privatized—the clearinghouse isn't a state agency, it's run by Maximus, a private contractor. I'm sure they're good people and I'm sure they're doing all they can. But if the clearinghouse was part of a state agency, there's no way this would be tolerated," he said. "Privatization opens the door to buck-passing."

When the Kansas Health Institute News Service contacted the federal Medicaid office about the huge disenrollment figure, spokeswoman Mary Kahn suggested, "There is no data showing the denial rate in Kansas is disproportionate. The law is very specific. There is not a lot of wiggle room."

In other words, by clogging up the processing system, the law is functioning exactly as it was intended—to dismantle Medicaid from the inside.

Indeed, a spokesperson for one of the law's principal authors, Georgia Republican Representative Nathan Deal, told the *New York Times* that the requirement may have had "some bumps in the road," but it "has saved taxpayers money." It is worth recalling that at the time the bill was signed into law as part of the massive federal budget reconciliation act last year, the savings were estimated to amount at most to a paltry $220 million over five years in the $338 billion annual Medicaid budget.

Nevertheless, not only does Deal intend to "vigorously fight repeal of that provision," but according to his staff, the congressman also has plans to extend it to the Children's Health Insurance Programs (CHIP) throughout the states.

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