Health care overhaul will leave millions of poor Americans uninsured

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Millions of people living in poverty will have no access to health insurance under the Patient Protection and Affordable Care Act (ACA). As promoted by the Obama administration, approximately half of those newly insured under the legislation would have been covered by an expansion of Medicaid, the health care program for the poor jointly administered by the federal government and the states. Under Medicaid expansion, adults making up to 133 percent of the poverty level would generally qualify for coverage.

However, more than half of the 50 US states are refusing to expand their Medicaid programs. The US Supreme Court upheld the constitutionality of the ACA last June, but also ruled that states could not be required to expand Medicaid. The Urban Institute estimates that 5.7 million uninsured adults with incomes below the poverty level live in states that will not be expanding their Medicaid programs; more that half of those currently without health insurance live in these states

As the health care bill is written, people with annual incomes from the poverty level up to four times that amount—$11,490 to $45,960 for an individual—would be eligible for subsidies to purchase insurance on the exchanges set up under the ACA. But those with incomes *below* the poverty level would not qualify for the subsidies.

As a result, in states not expanding their Medicaid programs the very poorest of the poor will be left with no health insurance options whatsoever. States opting out of the Medicaid expansion include some of the nation's poorest, including Texas, Florida, Alabama, Louisiana, Mississippi and Georgia. In Kansas, another state opting out, adults with incomes between 32 percent and 100 percent of the poverty level—$6,250 to $19,530 for a family of three—will be left out in the cold as far as the health care overhaul is concerned.

Many state Medicaid programs currently offer no coverage for able-bodied, childless adults, and this will remain the rule in those states not expanding their programs. States will actually be turning down federal funds, arguing that the expansion will be unaffordable in the long run. The federal government will cover 100 percent of the costs initially, gradually reducing this to 90 percent.

However, many state governors and legislators argue that this promise of federal money is not written in stone, and that Congress could change the allocation of funding in the future. Under conditions where states are already making deep cuts to Medicaid and other social programs to balance their budgets on the backs of workers and the poor, they oppose any provision that would increase benefits and spending.

Following last June's Supreme Court ruling, Texas Governor Rick Perry, a Republican, notified the Obama administration his state would not be expanding Medicaid. Last Sunday, the Texas House and Senate sent the governor a proposal in the form of an amendment to a Medicaid-related bill that would bar any expansion of the program in January 2014, when the full implementation of the ACA goes into force.

Nearly a quarter of all Texans—some 6 million people—are currently uninsured and most of them would have qualified for health coverage under an expansion of the Medicaid program. A report commissioned by Texas Impact, a group that advocates Medicaid expansion, estimates that Texas will be turning away about $100 billion over 10 years by rejecting the expansion, and the state would have been responsible for about $15 billion.

The fact that due to a gaping hole in coverage some of the poorest sections of the population will go uninsured is the latest exposure of legislation that has

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been touted by the Obama administration as a sweeping improvement in health care coverage. It has already been revealed that private insurers plan on hiking already exorbitant premiums and that significant numbers of employers will offer bare-bones plans—some that do not even cover hospitalizations and surgeries—while largely skirting penalties for not providing adequate coverage.

The entire discussion on health care "reform" has involved horse trading among the key players—the Obama administration, Congress, private insurers, drug companies and corporate employers—over how to slash costs for the government and big business and boost profits for the health care industry, while reducing health care services for the vast majority of ordinary Americans. The fig leaf of any nominally progressive features of the legislation has long since been torn away.

With states now balking at implementing one of the key provisions of the health care bill—and turning down hundreds of billions of dollars in federal money—the Affordable Care Act will leave millions of people living in extreme poverty without health coverage, further endangering their health and very lives. Many of these people will only discover that they do not qualify when they try to sign up under Medicaid, or when they seek out subsidies to purchase private insurance on the exchanges.

The *New York Times* quotes Bruce Lesley, president of the child advocacy group First Focus: "In states that do not expand Medicaid, some of the neediest people will not get coverage… People will be denied assistance because they don't make enough money. Trying to explain that will be a nightmare."

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