

## Opinion: Governor Ivey should withdraw catch-22 Medicaid plan

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(Photo: Mickey Welsh / Advertiser)

We can't create a healthier Alabama by taking away people's health insurance. That's why Gov. Kay Ivey should withdraw a plan that would punish families by stripping Medicaid coverage from thousands of parents who live in deep poverty.

Alabama is seeking federal permission to require extremely low-income parents with Medicaid coverage to have jobs outside the home. This plan would take coverage away from around 17,000 people who would have nowhere else to turn, and it would be a radical departure from traditional Medicaid rules.

As Medicaid officials put the finishing touches on their plan, we all should look beneath the shiny packaging of this so-called "workforce initiative" and ask ourselves whether it meets the basic test of humane public policy.

The vast majority of Alabamians with Medicaid coverage are low-income children, seniors, pregnant women, and people with disabilities. Alabama adults under age 65 without a disability can't qualify for Medicaid unless they care for a dependent child and make less than 18 percent of the poverty level (or \$312 a month for a family of three).

Let that sink in: Alabama parents can't get Medicaid coverage if they work even 10 hours a week at minimum wage. Yet Ivey's proposal would require people to work 35 hours a week (or 20 if they're caring for a child under age 6). If these parents could find work – which isn't guaranteed – they would earn too much for Medicaid, but not enough to afford private insurance.

Because Alabama has refused to expand Medicaid, there would be no affordable coverage available for people who fulfill the work requirement. That's a catch-22: making people work to keep health coverage, only to take it away anyway once they get a job.

About 75,000 Alabamians qualify for Medicaid in the targeted category of Parents and Other Caretaker Relatives. Nearly 90 percent are women. After exemptions for disability, pregnancy, age and other factors, about 17,000 people would be subject to the requirement – and almost certain to lose Medicaid.

When parents lack health coverage, families are at higher risk of medical bankruptcy, and children are less likely to have regular doctor visits and more likely to become uninsured themselves. Alabama has a proud history of supporting children's health: Thanks in part to strong investment in ALL Kids, our rate of uninsured children has fallen from 20 percent to just 2.4 percent in the last two decades. But with this proposal, Alabama would turn its back on that progress.

Vulnerable families aren't the only ones who would be harmed. The work requirement also would hurt the state budget, which affects everyone. Keeping track of who's working, who's looking for work, who's not working and who's exempt would be complicated and expensive. Alabama Medicaid has long kept its overhead among the lowest in the country, but that would be difficult – if not impossible – under this plan. The new costs could threaten funding for other services like mental health care and child protection. Expanding subsidized child care to meet the needs of newly working parents would be another added expense.

Despite these complexities, the proposal does not estimate total state costs. Alabamians deserve to know how much the state would spend on a policy that would take away health coverage from thousands of people.

Of all the questions the proposal raises, one looms largest: Why hasn't Alabama expanded Medicaid to cover low-income workers who don't get employer coverage and can't afford private plans? That single step would save hundreds of lives, create thousands of jobs and pump hundreds of millions of dollars a year into the state's economy.

The dignity of work is a central value in Alabama Arise's advocacy. We see employment as a critical contributor to health, along with access to supports like health care, education, nutritious food, affordable housing and transportation. State policy works best when it promotes individual employability and workforce development as important elements of a broad strategy to reduce poverty, improve health and strengthen the economy.

Such policies require a hopeful vision. But Alabama's punitive approach of threatening to take away health coverage from parents in poverty gives the familiar biblical injunction a fresh sting: Without a vision, the people will perish.

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