



MISSISSIPPI DIVISION OF
MEDICAID

Public Hearing Comments

November 15, 2017 at 10:00am

Woolfolk State Office Building, Room 145

Medicaid Workforce Training Initiative

1115 Demonstration Waiver Application

Oleta Fitzgerald
Southern Regional Director
Children's Defense Fund

Good morning. My name is Oleta Fitzgerald and I am the Southern Regional Director for the Children's Defense Fund. Our office is based here in Jackson, Mississippi. Thank you for this opportunity to give comments at this hearing on Mississippi application for the 1115 Waiver.

The Children's Defense Fund's office has operated in Mississippi over the last 23 years. It opened, this particular office, in 1995, just prior to implementation of welfare reform. So over these years we have paid particular attention to the impact of work requirements and other requirements to the poor population in the state. We have engaged in analysis with the universities. We have worked in communities on two-generation strategies. We've recognized how difficult it is for many families to get attached to work from the situations that they are in, and particularly in this rural state.

The Children's Defense Fund's mission is to ensure every child a Healthy Start, a Head Start, a Fair Start, a Safe Start and a Moral Start in life and successful passage to adulthood with the help of caring families and communities. In that role, we are terribly troubled by this application for a waiver under the guise of developing a demonstration program to help needy families, needy, able-bodied participants who are currently caretakers of either elderly people in their family or children to be required to get attached to the workforce. We certainly think that all people should have an opportunity to get attached to the workforce and we work on that on a daily basis; however, we know that this demonstration is seeking to answer a question that has already been answered over and over again in the state, as can be attested to by another program that mirrors this Medicaid waiver, which is TANF, or the economic assistance part of TANF.

Since 1996, 1997 when welfare reform was implemented in the state we have seen precipitous drops in the number of people who are either on TANF in this state, the poorest state in the union. There are less than 7,000 people currently receiving cash assistance under TANF. Much of that is because folks have made the transition off welfare but not to work. We have skills level problems. Even the state economist several weeks ago talked about Mississippi's economic growth. There are no jobs. Where there are jobs that may be available, the Medicaid application for this waiver to demonstrate that we can move people off Medicaid into jobs and into private health insurance, there is no basis of fact in that that and any data and any way you look at where we are situated in this state.

We have had some of the largest job losses, particularly in rural areas of Mississippi. These families that are targeted are some of the lowest income individuals, as I've said earlier, in the state. They lack transportation. They lack job skills. Jobs are not around every corner. We have had some growth in the manufacturing industry, but it is not accessible to the majority of the families that would be impacted by this waiver.

And five of Mississippi's poorest counties, Fayette, Jefferson County, Mississippi, Fayette, recently, in doing a review of what kinds of jobs were available from the employment security office, Jefferson County had three job openings within ten miles of major population, Fayette. Claiborne County had nine job openings. Holmes County had three job openings. Humphreys County had seven job openings. And Issaquena County in Mayersville there was one job opening.

In an analysis and our particular concern related to how the TANF rules and rules like these impact the lowest income population in the state, when you look at high percentages of African-American women who are single heads of household, when we look in Delta counties, we see unemployment rates in some of these counties that are not talked about that range from 18 percent to 20 percent.

People want to work. We see that all of the time. Folks want to work. People go to work. They can't stay at work. It takes money to go to work. It takes transportation to go to work. If you don't have a car you can't hardly find work.

We did a recent tour of poverty and job accessibility in the Mississippi Delta back in the summer, and we had family after family to talk to us about their inability to stay at work many times because of health concerns.

We think that, again, we know what this demonstration is going to find. We can look at our TANF population. We can look at our TANF program. And we're talking about moving the Medicaid eligibility and program requirements over to the Department of Human Services who will tell you, if they are asked, that they are turning down 90-some percent of the people who are applying at TANF because folks cannot meet the rules.

We would urge the state to pay particular attention to another way that we might help this population, and that is to focus more on jobs, that we need to have more jobs. That we need to have jobs in areas where there are none that have been hard hit by issues like international trade agreements and NAFTA.

That we're looking at health conditions, Mississippi has the highest rate of diabetes in -- one of the highest rates in the nation. We also have high rates on amputations because people don't have access to resources. They don't have access to doctors. They don't have access to medicines.

Mississippi is only one of two states, Mississippi and Maine, that are applying for this Medicaid waiver who did not extend Medicaid.

So what is it that we're trying to answer? What is it that we don't already know the answer to when we talk about this population? What is it that we can provide these people that will help them go to work at the same time dealing with all of the issues related to taking care of someone who is sick in their family or a child who is young? What are we trying to do here?

If we're trying to save money, this is population not going to save us a lot of money. If we're trying to save money, this population doesn't absorb this money. If you're on Medicaid you're not putting a dollar in your pocket. If you're on Medicaid that means you are sick. If anybody is getting paid, they're getting paid because you're going to the doctor. Only the doctors can get paid. Why are we putting this extra burden on some of the weakest people in this state that are taking care of some of the greatest needs in this state? And if you want to look at a demonstration and when you review what this demonstration will do, when you remove these people out of their care-taker roles, what will it cost us for the care of those people that they are now taking care of in their homes?

This is hard-hearted. It makes absolutely no sense for us to be doing this. It's not going to save us a bunch of money. If we want to talk about healthcare costs, we've got to go past poor people. We've got to talk about jobs. We've got to talk about education.

And I would urge from the Children's Defense Fund that this Medicaid Waiver is not approved. We would hope that the state would withdraw it, but we certainly hope that the federal government will deny it.

Thank you.

Rims Barber
Mississippi Human Services Coalition

Good morning. It's a big crowd. I can hardly handle it. We object to this work requirement which does not appear to be a demonstration project to demonstrate anything in the state that didn't expand Medicaid and has an extremely low eligibility income limitations for its citizens. And what I handed out to you is a chart showing that for the typical person affected, which would be a mother with two children, the income limitation is \$403 a month, and that is a little less than a fourth of the poverty level (see below). Now, that's way below poverty. That is much less lower than what a 20-hour a week minimum wage job would yield, which is \$623.50. The waiver requires these caregiver relatives to work 20 hours a week and puts the majority of them in over-income for Medicaid, standard Medicaid. Most of the people impacted are in families with income limits below the 20-hour a week level. The waiver says that they will be moved to transitional Medicaid assistance. What we're demonstrating here is unclear. These people would be over income for the 1931 category of Medicaid, under-income for ability to apply for ACA health insurance because they're below income, below poverty level. They go to jobs that don't have health insurance available.

And the other thing is I think they're going to end up with all sorts of bureaucratic paperwork they'll have to do. First they have to document that they were job searching in Fayette where there were only three jobs. Second they're going to have to document if they get a job and have somebody fill out that document for them. Then each month they're going to have to show that they had 20 hours a week working. Whether the requirement is going to be that they turn in their pay stubs or what kind of documentation it's going to be, we don't know, but it's going to be heavy documentation they're going to have to go through. They're going to have to show how

much money they earned and that they are now a changed status with Medicaid and fill out another piece of paper to change from 1931 to TMA.

And then what happens if they have a job that's four hours a day, five days a week, and their kid gets sick one day and they miss that week? That week they only had 16 hours, and the waiver would require them to have 70 or they lose their Medicaid. Or would they have another form of documentation that they have to get an exception for that week. And what will be the requirements for that and how onerous would it be and could they go through this? If they don't have transportation and they don't have childcare, how are they going to handle it?

We have currently 53,415 caretaker relatives on Medicaid, of which only 4,249 are on transitional Medicaid category. We are going to have people who either will not be able to get a job, as Ms. Fitzgerald has pointed out so clearly, and therefore will be dropped from the program or they will get a job and go through this onerous process of paperwork to get everything straight. They will miss some document somewhere along the line and get cut off because they didn't document properly. And, you know, I really think that the real goal of this waiver is to try and cut 25,000 people off of Medicaid to see if it will save the state some money, and that is not a demonstration. That is a sin and a shame.

MISSISSIPPI HUMAN SERVICES COALITION

736 N. Congress
Jackson, MS 39202
(601-355-7495)

Medicaid 1115 Waiver Hearing
November 15, 2017

Comments by Rims Barber

We object to the work requirement which does not appear to be a demonstration project in a state that did not expand Medicaid and has a very low income limitation for caretaker relatives.

	Monthly Income Limit	Federal Poverty Level
Parent and child	\$321	\$1,353
Parent and 2 children	403	1,701
Parent and 3 children	485	2,050
Parent and 4 children	568	2,398
Parent and 5 children	650	2,746

20 hours at minimum wage= \$623.50

The waiver requires very low- income caretaker relatives to work 20 hours per week and puts the majority of them over-income for Medicaid. Most of the people impacted are in families whose income limits for Medicaid eligibility are below a 20-hour per week

minimum wage income. Only those families with five or more children could work 20 hours per week and maintain Medicaid under the existing program Standard of Need. The majority of jobs they could get would not provide access to a health Insurance program, and they would still make too little to be eligible for Affordable Care Act insurance. The language of the waiver claims to aim at improving the health care of individuals. This program will not do that. Currently there are 53,415 caretaker relatives on Medicaid, of which only 4,249 are on transitional Medicaid. There is no mention of child care or transportation services to assist people and no criteria for exempting people from the work requirement. These factors mean that a significant number of those persons will be at risk of losing Medicaid due to the inability to find work or comply with the paper work for exemptions. If all we end up doing is shifting people from Section 1931 coverage to Transitional Medicaid Assistance for two years, that does not seem to demonstrate anything. This waiver is a solution in search of a problem. The large amount of effort to implement it will cost more than it will save the state.

Jameson Taylor
Mississippi Center of Public Policy

Good morning. My name is Jameson Taylor. I'm the interim president of the Mississippi Center of Public Policy and I appreciate this opportunity to speak with y'all about this demonstration waiver.

I was recently at a conference where I was speaking to a young man in Illinois, Illinois has expanded Medicaid, and he is on a waiting list for disabled children to get Medicaid services. Illinois has not been able to pay for the drugs that he needs so that he can live. There are children like this young man all across the country and even here in Mississippi. We have a waiting list with disabled children and others that are waiting to get services through Medicaid, but we don't have the money to cover them.

One of the interesting things about the Obamacare Medicaid expansion is that it provided a 90 percent match for able-bodied adults who don't have kids to get on to Medicaid, but it didn't give any extra money or any preferential match for these disabled folks that are still on a waiting list. We are seeing people die every year that are on this waiting list to get Medicaid services but they can't get the services, and that's happening here in Mississippi where we have that waiting list.

So I want to put what we're talking about here within that context. We're dealing with a Medicaid program in Mississippi that is consuming half of the state budget, state and federal spending. It's far more than, for instance, public education. It's consuming a lot of resources.

We're also dealing with a Medicaid division that every year is running out of money. They're asking for more money from the legislature due to mid year deficits. So clearly there's a problem in getting the resources to those who really need it.

And so who are those that really need it? I would say it's these folks that are disabled and these kids that are waiting for services. They should go to the front of the line. Now, when we look at Medicaid work requirements I want to make a couple of points. First is that we believe that work is the best anti-poverty measure out there. Work elevates people. It helps them grow mentally. It helps them grow personally. It helps them grow financially. Work gives people dignity. So if we're going to be inviting folks that are on Medicaid to work to improve their lives, that's a good thing, because the goal is for them to get off of Medicaid, to get into the private

sector and to get better coverage. Now, why would that be the goal? Because Medicaid's health outcomes are horrible. They're worse than the uninsured. If you go to a doctor on Medicaid you're lucky if you can even get in the door. There's a study that Mississippi State did a couple of years ago that found that up to one third of primary care physicians are not even accepting Medicaid patients. So our Medicaid patients are having trouble getting access to the services that they need. The folks on private insurance are not having that trouble. They are getting access.

So the best thing we can do in terms of healthcare is to get people better coverage and more access, and private insurance is what is doing that.

Now, I won't go into the issues of what you call crowd out. That's an economic term that suggests that a lot of folks who are on private insurance and as Medicaid expands they drop that private insurance and they go on to Medicaid. I won't discuss that, but that's a phenomenon that occurs as far as Medicaid goes.

What I want to look at is what has happened in states that have had welfare work requirements. For instance, Kansas followed a population recently. Able-bodied who got off of food stamps and started to work. What they found was personal income gains very quickly going about the poverty line, going above the Medicaid eligibility line so that in fact they could get coverage through the ACA on the Obamacare changes or maybe even they could get coverage through their employer through private insurance. What they also found was productivity gains for the entire state economy. And they even found that marriage rates increased in Kansas as a result of these reforms.

So we know that work requirements can have a positive impact, can have a positive impact both personally and for the state economy and even for the healthcare sector in certain ways.

Another point that I wanted to make is that toward that end, a number of people who are on Medicaid are likely already working. They're working under the table. They're working for cash. Who is that primarily benefiting? It's primarily benefiting the employer who doesn't want to give them the benefits that they should be getting. And by instituting a work requirement I believe that we can incentivize those employers to offer better healthcare coverage to their employees. That's the right way to do it as opposed to encouraging this underground economy that doesn't serve those that are employed.

Finally I just want to say a word that a number of states are looking at work requirements for Medicaid. They're looking at this very carefully and they're looking for ways to help people that are unemployed or that in high unemployment counties help them to transition to a job. And so we already have, for instance, waivers here in Mississippi in high unemployment counties, even though we have work requirements for other welfare programs. We have these waivers. So it's not as if there's not going to be assistance for folks trying to get work. It's not as if there's not going to be a bridge to help these folks transition into employment, which, again, is the goal here. To get off of Medicaid, to get better healthcare, and to have a better life, a life that you can hand down to your kids and be happy, to be fulfilled.

So for those reasons that's why the Mississippi Center for Public Policy supports work requirements for Medicaid. Thank you very much.