



Millions of Americans lost in the Medicaid purge

"We have received complaints from people that said, 'I did everything right, sent the information back in. I talked to somebody at the county office, but I still got a notice saying that my Medicaid was terminated.'" Loretta Alexander

911. What's your emergency?

America's healthcare system is broken and people are dying.

Welcome to Code WACK!, where we shine a light on America's callous healthcare system, how it hurts us and what we can do about it. I'm your host Brenda Gazzar.

(music)

This time on **Code WACK!** Now that COVID protections have ended, what does that mean for the millions of people getting booted off Medicaid in the country? Where does that leave our nation's most vulnerable, including children and people with chronic diseases or mental health issues? To find out, we spoke to **Loretta Alexander**, health policy director of **Arkansas Advocates for Children and Families**. Ms. Alexander has over 40 years of experience in health care. This is the first episode in a two-part series with Loretta.

Q: Welcome to Code WACK! Loretta. Tell me about your organization, Arkansas Advocates for Children and Families. Why was it founded and which communities do you advocate for?

Alexander: Arkansas Advocates for Children and Families was founded as an organization to help look at issues that were affecting families that were probably in poverty or disenfranchised in other ways to help raise issues, change policy, make life better so that children and families could thrive and have the best quality of life. We serve as a voice for children in Arkansas and in Washington.

Q: So Loretta, for much of the COVID pandemic, there were protections in place that kept states from kicking people off Medicaid, the health insurance program for low-income individuals. How important were those health insurance protections for children and families in Arkansas during the pandemic?

Alexander: Oh, they were extremely important. The main reason is Arkansas is a very poor state overall. We are a mainly rural state, and people have access issues in general. Fortunately, we were a Medicaid expansion state before COVID hit, and what that means is after the Affordable Care Act was passed, commonly known by some people as Obamacare, that meant that adults in the state of Arkansas could actually have Medicaid coverage that they would not have otherwise had if the state did not have that Medicaid expansion.

So that was already in place, and since the Affordable Care Act policies were put in place in Arkansas and Medicaid expansion happened, we have not had any of our hospitals to close. We've only had one hospital to close, which is extremely important when you look at other states, particularly other Southern states that have not expanded Medicaid, a lot of them have had hospitals to close.

And if you'll remember when COVID first hit, that was one of the biggest issues where people were being hospitalized. If you could imagine needing ICU care with no Medicaid or no coverage. So it helped hospitals, it helped the people that needed Medicaid coverage. It helped the doctors' offices and the doctors that needed to make sure that all these sick people, we couldn't, you know, there was no option about getting care when COVID hit. People had to go to the doctor and they had to go to the hospitals. So it gave people a way to get their bills paid, and it gave the providers a way to get their bills paid too, because you're hiring new nurses, you're paying people more and more money. So it just helped overall to have that money available from Medicaid.

Q: Right, right and isn't there a large percentage of children on Medicaid, like close to 60%?

Alexander: Absolutely, in Arkansas, we do have close to 60% of children on Medicaid and just recently in fact, a report came out from the Georgetown Center for Children and Families that shows that children in Arkansas, some counties have

up to 74% of the children in those counties that are covered by Medicaid. And then when you look at school districts, one school district had 98% of the children in that school district were covered by Medicaid. In the rural areas, there are not a lot of jobs. There are not a lot of opportunities to have higher incomes. So people fall into the income level to be eligible for Medicaid. It may not be that they're not working, they just may not be making so much money that they're disqualified.

Q: Right, right. So now that the pandemic-era protections have ended and hundreds of thousands of people all over the country are losing Medicaid coverage, what's the process in Arkansas around ending their coverage?

Alexander: Arkansas began sending out notices in February of this year to people letting them know that they might be losing their coverage. Just to give a little background. At the beginning of the pandemic the federal government gave all state Medicaid programs an extra 6% funding to help them keep people on Medicaid. So the Medicaid programs nationwide were not able to just terminate those cases unless they died, became incarcerated, moved out of state, or asked to be taken off of Medicaid. So because of that, people stayed on Medicaid for like three years 'cause if you remember the pandemic started in March of 2020, and the federal laws to declare the public health emergency to be over and to tell state Medicaid programs to go back to their regular operations, didn't happen until this year. So Arkansas is one of the states that started early to do the redeterminations, to process the eligibility for people.

And what normally happens is every 12 months, you have to have a redetermination to see if you're still eligible. So during the public health emergency, those people that might have lost their coverage under normal circumstances continued to stay on Medicaid. An example would be if you were a college student and had little to no income at the beginning of the pandemic and so by the time 2023 hit, you're out of college, you have a good income and you're working, but you may still be getting Medicaid coverage because they couldn't terminate it.

So now all those folks that are in what they call an extended category of coverage are being sent letters saying – and everybody actually is being sent letters, the ones that it's time for their regular redetermination dates, in addition to those that are in that extended category are being sent letters – telling them to either send in information, documenting the fact that they're still eligible, reapply or respond to whatever state is asking them to do.

Q: Got it. So what are the major problems with that?

Alexander: One of the biggest problems for many people though that are low income and in less secure situations is that they're mobile. Some people are transient. If you can imagine someone that had very low income or had an unstable housing situation, they might have moved a lot in three years. They may not have a stable address to pick up mail from. They may have someone in place that actually collects their mail for them, but they may not be checking with that person, you know, on a regular basis. And the person that's collecting the mail may be just collecting it and stacking it somewhere, and they don't know what's in those envelopes, and if they didn't open the envelopes from the Department of Human Services and respond, then they're still going to lose that coverage. So there's a combination of things that are happening. Now to really get to answering your question, the question that you asked directly. As I said, Arkansas started sending out those notices in February.

The Arkansas General Assembly or the legislature passed a law in 2021 dictating that Arkansas only had six months to process all these redeterminations for folks that were in the extended category that may be ineligible based on COVID-19 regulations.

So we've had a lot of terminations of adults and children that we can't say that they are truly ineligible. What we know is that they have what they call procedural terminations, which means that they didn't get the paperwork back in on time. They didn't respond to some kind of request from the state or the mail came back or, you know, some situation like that where you can't truly say that they're ineligible because you don't have the information to say one way or the other.

We have hundreds of thousands of people that have lost coverage between April and July of this year that are in those categories and unfortunately, the state legislature only gave the state agency six months to do this. So it's almost like peeling onions. When you look at all the layers of complications to this problem. Just on general principles, it's complicated.

Right, there's a lot to have to sort out.

Alexander: Then when you compress the time that the state agency workers have to get this work done, and then when you add to the fact that people that are just applying brand new that aren't in this situation, they just need Medicaid for the first time and they're applying, and those same same workers have to process all those cases. They have to process the redeterminations, they have to process the new applications, they have to process everything else that they have to do, and there's only a finite number of people. There's only a finite amount of time. So it complicates the whole process and the ultimate outcome is that people are losing

coverage that probably are not ineligible. They're probably still eligible, they're just losing coverage.

Q: Wow. So what have you heard from people about this?

Alexander: We have received complaints from people that said, 'I did everything right, sent the information back in. I talked to somebody at the county office, but I still got a notice saying that my Medicaid was terminated.' We've got complaints from pregnant women saying, 'oh, I'm losing my coverage at the end of this. My baby is being born on this day and my coverage is ending on this day.' If you can imagine, read a news report of someone that had two children that lost coverage in the house, say the mother was covered, an older child was covered, and then two smaller children lost coverage. So again, the cases aren't based on households, they're based on individuals. The cases are individual cases. So you can imagine how that would affect someone. And for the average person, if you or I have insurance on our job and we get a letter about our coverage and we've got children in our house, that coverage is going to, you know, if we have our children on our plan, we're not going to worry about, 'okay, our kids have a separate case,' you know, when it comes to private insurance and what the rest of us are used to.

But with Medicaid, as I said, it is so complex and so complicated and then the people that are receiving the services are expected to know how to understand all of these complications and work through all of that and get everything sorted out in a limited amount of time. Because every notice that you get is going to have a date on it, get this information back in 10 days. Your services are going to be ended in 30 days. And even though they have an appeal process, the appeal application is a couple of pages, No. 1. No. 2, you have to complete the appeal application in order for your case to have a fair hearing on the case. You can't just make a phone call. You have to go into the computer and complete the application, and you have to upload the notice that you got and attach it to that appeal, the application for a fair hearing, or you have to make a copy and take it to print off the appeal application for a fair hearing, physically take it into the office and attach a copy of the notice to that fair hearing application in order to get a fair hearing.

And again, for the folks that are in the situation where they may have housing challenges, they may have job challenges, they may have transportation challenges, they may have childcare challenges and all of that on top of trying to manage to keep their Medicaid. It's just too much for some people to do and so they end up losing their coverage.

Q: Wow. So you mentioned a couple of cases. How is this impacting people's access to healthcare? Have you heard any stories about people who were sick or

had cancer that were dropped from Medicaid and that affecting their treatment or anything like that?

Alexander: I haven't heard any direct stories from people that had cancer. As I said, I have heard cases from stories that had, just earlier this week, I heard from a situation where a friend of mine has a brother that has mental health problems and his Medicaid dropped and he couldn't get his medicine so he's in danger of being picked up by the police and put in jail and other bad things that could escalate and happen badly because he has a major mental illness and he can't get his medicine because his Medicaid is dropped. I heard another case this week of somebody that recently had a baby and her Medicaid dropped. So I haven't heard of the cancer (cases) and the heart attack (cases) and the folks like that. But I, again, I've heard of these, these other stories that have been related to me.

Q: Wow. That's very very sad and scary to think about. The woman who was pregnant. Do you know if she is not covered and her baby or just she, do you happen to know?

Alexander: I don't, no, I haven't, I haven't had chance to follow up with the details there, but I would strongly suspect that if she had just had the delivery no, I won't speculate on that because the baby goes in. That's the other thing. Categories. There's so many categories of Medicaid eligibility, <laugh>, okay. You might have, as I said, I talked about the category of what we call Our Home in Arkansas, and that's the ones that are covered because of the Affordable Care Act. Then you have a pregnant women category of service. So if you get pregnant and then you go to the Department of Human Services and apply for Medicaid, they're going to put you in a pregnant women category of service.

Well now, well once the baby is born if you, if your income is higher than 138% of poverty, you have two months of coverage past the delivery date and then that after that postpartum period is over, then the woman is subject to lose her coverage. The baby is on, is in a separate category of service called a newborn category with 12. So that baby has 12 months of coverage. So to answer your question, there's two different categories of service there. Yeah. It's possible the baby could still be covered.

Absolutely but the other issues now (is that) school is just starting. So if you can think about immunizations for kids to get their folks to get their kids back in school, physicals for kids to participate in in sports as they start school, other physicals, children going to school that get therapies, getting speech therapy and things like that at school schools. Some of the schools have school health clinics and so it goes on and on. Let me just look at the numbers for second in terms of, of actual how

many cases we've lost. We have 109,000 children who have lost coverage between April 30 and July 30. That's a lot. Yes. And then adults, we have 176,000 adults that have lost coverage in those same four months. Yeah, that's a lot. And the reasons for termination, as I said, you know, failing to return paperwork is 40,000 to 50,000 of those cases every month. Yeah.

Q: So what is the impact on these families?

Alexander: The impact is if you have chronic illness and you go to the drug store to get your medicine and you can't get an inhaler and you have asthma, that could be life threatening or you have some other drug that you have to have, the ultimate impact is that it could be life threatening. The other impact is financial. You may not have the discretionary income to buy the medicine you need out of your pocket. Or if you buy the medicine, you might have to forgo paying your utility bill or paying your phone bill or paying some rent or paying your car note or some of the other things that you have to have to live, too.

Thank you Loretta Alexander. Stay tuned for next week's episode as we continue our discussion about Medicaid disenrollments and possible policy solutions.

Do you have a personal story you'd like to share about our 'wack' healthcare system? Contact us through our website at heal-ca.org.

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