



Georgetown University
Health Policy Institute
CENTER FOR CHILDREN
AND FAMILIES

NEWS RELEASE

3/20/18

FOR IMMEDIATE RELEASE

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Alabama mothers, children bear brunt of proposed new Medicaid restrictions

Catch-22 work requirements plan would disproportionately harm rural Alabamians, study finds

Alabama's bid to impose a work requirement on parents receiving Medicaid could cost as many as 8,700 people their health coverage in the first year, mainly affecting mothers whose children also would feel the impact, according to [a new analysis by the Georgetown University Center for Children and Families \(CCF\) and Arise Citizens' Policy Project \(ACPP\)](#).

The proposal would create a Catch-22 for these families who already live well below the poverty line: Any parent working the 20 to 35 hours required under the state proposal would make too much money to qualify for Medicaid – but likely not enough to afford private insurance. These harsh new restrictions would disproportionately hurt families living in Alabama's rural communities and small towns where jobs are scarce.

“Alabama's proposal creates more barriers to Medicaid coverage and will not help families rise out of poverty. In fact, the opposite is true – many parents and children are likely to lose health coverage, which exposes them to greater financial instability,” said Joan Alker, director of the Georgetown University research center. “It's hard enough to raise a family on such a limited income without someone putting more roadblocks in the way.”

Alabama is not the first state to seek a work requirement, but it is one of the first to do so without accepting federal funding to expand Medicaid to adults with incomes slightly above the poverty line (138 percent of the federal poverty level). Around 300,000 Alabamians are caught in the coverage gap, earning too much to qualify for Medicaid but too little to qualify for subsidies for marketplace coverage through the Affordable Care Act.

In Alabama, only the poorest parents and caregivers, those making 18 percent of the poverty level or less – \$3,740 a year for a family of three, or about \$312 a month – now qualify for Medicaid. That is the strictest eligibility requirement in the nation (along with Texas). Because Alabama has not expanded Medicaid, the work requirement would apply only to parents with extremely low incomes.

The analysis found that among this population:

- More than 85 percent are women.
- 60 percent are not in the workforce, in many cases because they are caring for someone else or have an illness or disability; 24 percent describe themselves as unemployed. The remainder are already reporting some work.
- 58 percent are African American; 40 percent are white.
- 35 percent are young parents under age 30.

A proposal for a Medicaid work requirement, now undergoing a state public comment period before submission to the federal government, could prove disastrous for many Alabama families, ACPP policy director Jim Carnes said.

“The goal of this cruel, counterproductive plan is to take health insurance away from thousands of Alabamians who are living in desperate poverty,” Carnes said. “By creating barriers to coverage rather than promoting it, Alabama’s work requirement fails the most fundamental test for Medicaid policy changes.”

Alabama’s proposal also seeks to trim eligibility for Transitional Medical Assistance – despite the fact that TMA is designed specifically to provide stability in health coverage for families whose incomes are increasing because they are working more.

In addition, the proposal could fuel an increase in the number of Alabama children without health coverage, according to the report, because uninsured parents are more likely to have uninsured children. Alabama’s rate of uninsured children – just 2.4 percent – is the lowest in the South. Overall, children and families in Alabama’s rural communities and small towns are more likely to use Medicaid coverage to meet their health care needs than those in metropolitan areas, a 2017 Georgetown University CCF/University of North Carolina study showed.

“As a pediatrician practicing in rural Alabama for 37 years, I have seen firsthand what happens when parents cannot access health care: Their children’s health suffers,” said Dr. Marsha Raulerson, who is a pediatrician in Brewton and a member of the American Academy of Pediatrics. “If approved, the Alabama Medicaid work requirement would be a step backwards for a state that has been a national leader in covering children.”

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[Arise Citizens’ Policy Project](#) is a nonprofit, nonpartisan coalition of congregations, organizations and individuals promoting public policies to improve the lives of low-income Alabamians. [The Georgetown Center on Children and Families](#) is an independent, nonpartisan policy and research center founded in 2005 with a mission to expand and improve high-quality, affordable health coverage for America’s children and families.