



**Testimony on LB 441
Before the Nebraska Legislature
Health and Human Services Committee**

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Good afternoon Senator Riepe and members of the Health and Human Services Committee. For the record my name is Brad B-R-A-D Meurrens M-E-U-R-R-E-N-S and I am the Public Policy Director with Disability Rights Nebraska, the designated Protection and Advocacy organization for Nebraskans with disabilities. I am here today in support of LB 441.

Medicaid is a lifeline for many people/families with disabilities. For many people or families with disabilities it is the only way to access necessary health services medications, etc. Many people or families with disabilities are unable to access insurance coverage in the private market, as often private market plans are too expensive and/or do not provide an adequate array of services or coverage to meet the needs of people or families with disabilities.

It is false to assume that all Nebraskans with disabilities and Nebraska families with disabilities, are on or would be eligible for *status quo* Medicaid. Not all people or families with disabilities meet the current financial or other eligibility limits for traditional Medicaid. Thus without LB 441, many people or families with disabilities are left in the gap between Medicaid eligibility and the insurance exchanges. Cornell University reports that approximately 18.7% (+/- 2.73%) of non-institutionalized persons aged 21 to

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64 years with a disability in Nebraska were uninsured in 2013, approximately 17,300 (+/- 2,790) people. ¹

The National Association of State Mental Health Program Directors reports about 25% of people in the coverage gap have a mental health need: ²

“Many people recognize Medicaid as a program that provides coverage to the poor, but few know that millions of working adults—mainly childless—do not currently qualify for Medicaid even if they have little income. And about 25% of this population has serious and moderate behavioral health conditions. The Medicaid expansion will significantly increase access to health insurance which is the pass-key to receiving high-quality care.”

The American Mental Health Counselors Association describes the importance of covering people with mental illness who find themselves in the coverage gap: ³

- “About 1 in 6 currently uninsured adults with incomes below 138% of the federal poverty level has a serious mental illness such as major depression, bi-polar disorder, severe panic disorder or schizophrenia. Many other individuals have less serious mental health disorders such as milder depression, but these conditions can be debilitating as well and affect daily living.”
- “When persons with mental health conditions or substance use disorders do not receive the proper treatment and supportive services they need, crisis situations often arise affecting individuals, families, schools, and communities. Health insurance coverage can help people long before they find themselves in a crisis situation.”

Medicaid expansion would uniquely benefit people with disabilities in additional ways:

- 1. Medicaid expansion would allow people with disabilities to accumulate assets, which translates into better quality of life and health.**

¹ Erickson, W., Lee, C., von Schrader, S. (2015). Disability Statistics from the 2013 American Community Survey (ACS). Ithaca, NY: Cornell University Employment and Disability Institute (EDI). Retrieved Feb 10, 2016 from www.disabilitystatistics.org

² Miller, J. et al, January 2013, “The Waterfall Effect: Transformative Impacts of Medicaid Expansion on States”, available at www.nasmhpd.org

³ American Mental Health Counselors Association, February 2014, “Dashed Hopes; Broken Promises; More Despair: How the Lack of State Participation in the Medicaid Expansion will Punish Americans with Mental Illness”, pp. 5-6, available at: http://c.ymcdn.com/sites/www.amhca.org/resource/resmgr/Docs/AMHCA_DashedHopes_Report_2_2.pdf

Research by Jean Hall, a health and disability policy researcher at the University of Kansas Medical Center in Kansas City and the University of Kansas, Lawrence indicates that “Enrolling in expansion coverage may be financially advantageous for people with disabilities in allowing them to accumulate assets over the usual Medicaid limit. Accumulation of assets, in turn, may translate to better quality of life and health status over time” and “respondents with assets greater than \$2,000 were significantly more likely to have [physical and mental health scores] above the national average... and to report better quality of life...having greater assets is independently associated with better quality of life and health.”⁴

2. Current financial eligibility limits create and support a system of “forced impoverishment” for people and families with disabilities.

Medicaid expansion would create pathways for people and families with disabilities to become more self-sufficient. With the higher unemployment rate for people with disabilities than that of their peers without disabilities, relying on employer-based insurance is no panacea, hence many individuals or families with disabilities are forced to seek Medicaid. People with disabilities are forced to refrain from seeking work or taking a raise, work in low-wage jobs, or quit work so that individual/family income does not approach the Medicaid financial eligibility ceiling. Research by Jean Hall, indicates that people with disabilities are more likely to be employed in those states which have adopted Medicaid expansion:

“Policy makers in states that have not expanded Medicaid often suggest that making Medicaid available to more people will increase their dependence on public insurance and discourage them from working to obtain insurance through an employer...Our results show just the opposite

⁴ Hall, J.P, Kurth, N.K., & Averett, E.P. (2014). “Asset building: One way the ACA may improve health and employment outcomes for people with disabilities”, *Journal of Disability Policy Studies*, pp. 252–256

for people with disabilities, who are much more likely to work in states that expanded Medicaid.”⁵

3. Medicaid expansion creates a path for discharged inmates to access needed healthcare.

For inmates, access to healthcare (and other support services) is often limited or non-existent after release from jail or prison. This is an especially pernicious situation for those prisoners who had received treatment or medications while in prison, but lose that treatment once in the community.

A lack of health insurance complicates the ability of former inmates with mental illness to seek treatment or maintain their treatment regimen, providing an outlet for a replay of the issues that brought them into contact with the criminal justice system in the first place.

Even if Nebraska chooses not to pass LB 441, Nebraska will still have to serve uninsured people with or without disabilities in hospital emergency rooms at a much higher cost (and very little opportunity to recoup the expense) than in other settings, especially without the federal financial participation guaranteed under the Affordable Care Act.

Disability Rights Nebraska recommends LB 441 be advanced.

⁵ “Medicaid Expansion Tied to Employment Among People with Disabilities”, December 27, 2016, Reuters, available at <http://www.reuters.com/article/us-health-medicaid-disabled-jobs-idUSKBN14F13K>