



## Summary of Mississippi's Revised Section 1115 Medicaid Waiver Proposal

**Overview:** A revised version of Mississippi's Section 1115 waiver proposal, which seeks to condition Medicaid eligibility on compliance with a work/community engagement requirement for very low-income parents/caregivers, has been re-opened by the federal government for public comment. Comments on the waiver, known as the "Mississippi Workforce Training Initiative," are due on August 18, 2018.

The proposal would impact parents and caregivers with incomes below 27% of the poverty line or \$467 per month for a family of three. Mississippi has one of the lowest income eligibility limits in the country so parents who met the proposed work requirement by working 20 hours per week at minimum wage would earn nearly \$580 per month, which would disqualify them for Medicaid coverage – creating a "Catch-22" situation. Most of them would become uninsured after losing Medicaid coverage as few low-wage jobs offer health insurance.

If approved by the federal government, these new requirements would be extremely harmful to very poor parents and would disproportionately affect African-American mothers and families living in Mississippi's small towns and rural communities. The proposal is likely to result in thousands of parents losing health coverage, putting their children's health coverage and economic security at risk as well.

**How was the waiver proposal revised?** In response to criticism of the original proposal that the work reporting requirement would put beneficiaries in a Catch-22 situation, the state revised its plan to allow some parents to remain Medicaid-eligible for up to 24 months if they work every single month. That is an increase from the current 12 months of "transitional Medicaid" but it is still only a temporary solution. Moreover, the state's application shows the *additional Medicaid coverage would only impact 2% of the parents in Mississippi's Medicaid program.*

**What is still wrong with the proposal?** By the state's own estimates, approximately 5,000 Mississippi parents will lose their Medicaid coverage in the first year alone. Over five years, approximately 20,000 will lose coverage as a result of the proposal. The vast majority will likely become uninsured.

If approved, the red tape created by this new reporting requirement could be enough to end some parents' Medicaid coverage, even if they are fulfilling the work requirement. Early reports from a similar requirement in Arkansas show that nearly three-quarters of those who had to take action and report an exemption or work hours did not do so last month. Such large numbers indicate that beneficiaries are having difficulty complying either because they don't know about the new rules or don't have access to the complicated online reporting system.

*While helping connect people to work is a worthwhile goal, the waiver does not address the real barriers to employment faced by Mississippi's poor families such as a lack of access to childcare, job training and transportation.*

**How will this impact Mississippi's children?** Parents who have access to health care are better able to nurture and support their child's healthy development. When parents are uninsured, children tend to go to the doctor less frequently and are less likely to have their own coverage.<sup>1</sup> As parents become uninsured, the entire family is at greater risk for medical debt and even bankruptcy – moving these families in the opposite direction of economic self-sufficiency.<sup>2</sup>

<sup>1</sup> M. Karpman and G. Kenney. "Quicktake: Health Insurance Coverage for Children and Parents: Changes Between 2013 and 2017" (Washington: The

<sup>2</sup> K. Wagnerman, "Medicaid: How Does It Provide Economic Security for Families?" (Washington: Georgetown University Center for Children and Families, March 2017), available at <https://ccf.georgetown.edu/wp-content/uploads/2017/03/Medicaid-and-Economic-Security.pdf>.