



Preserving MaineCare Coverage for Low-Income Adults

Smart Policy - Common Sense

Key Findings

Working in conjunction with a physician and a leading researcher, Maine Equal Justice Partners (MEJP) conducted a study in 2011 to assess the impact of health care coverage for low-income adults covered by MaineCare's Childless Adult Program. MEJP partnered with Sandra Butler, Ph.D., from the University Of Maine School Of Social Work to conduct extensive interviews with individuals in this coverage group. Dr. Laurel Coleman reviewed these interviews and identified the likely medical consequences for study participants should they lose access to care as proposed by the Governor's supplemental budget. MEJP released a report in January 2012 based on this qualitative analysis as well as a review of both national and state research related to the importance of coverage for low-income adults.

Key findings from this report:

- 1. Maine is not an "outlier" in providing coverage to low-income childless adults.** Today, Maine is one of 20 states offering some form of coverage to low-income childless adults. Beginning in 2014, all states will be required to provide Medicaid coverage to this group under the Affordable Care Act.
- 2. The health care needs of this group of low-income adults are higher than that of many other groups covered by MaineCare** Research based on experience in Maine and other states demonstrates that this group of low-income adults often have serious medical conditions that affect their activities and ability to function.
- 3. Low-income adults insured under this program tend to be older.** Sixty percent of the members are age 35 or older; 43 percent are age 45 or older.
- 4. Disease, including cancer and mental health conditions account for most of the services used by this group.** Forty-seven (47%) percent of members getting services fall into a major diagnostic grouping of disease or cancer (*e.g.*, a disease of the nervous system, the circulatory system, digestive system); 24 percent had a diagnosis categorized as a mental disorder; 11 percent were treated for an injury or poisoning.
- 5. People with chronic illness who lack access to care forgo needed health care, often with severe consequences.** Uninsured adults with common chronic conditions (diabetes, hypertension, arthritis-related conditions, high cholesterol, asthma and heart disease) suffer serious, identifiable gaps in needed medical care. Almost half of these adults do not access needed medical care or prescription drugs due to cost and, as a result, are at higher risk of mortality.

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6. **The medical prognosis should these individuals lose coverage is bleak.** In this report, Dr. Laurel Coleman predicts a harrowing future for several of the people we interviewed – deteriorating health; early, preventable disability; and significant increases in high-cost emergency room services. In some cases, deteriorating health likely will bring on misery, in others an unnecessarily shortened life span.
7. **For most, the MaineCare program for low-income adults is just a temporary stop, but a minority has health conditions that are significant, requiring extended care.** More than half of all MaineCare members ever enrolled in this program were enrolled for less than one year; three-quarters were enrolled for less than two years. Many in this group were able to return to work once they received care through the program. However, ten (10%) percent of members using services accounted for 60% of program cost. These individuals have serious conditions that require longer term care.
8. **Investing in the health of Maine’s low-income childless adults is an investment in our workforce and our economy.** Unhealthy people are unhealthy workers. People with serious health conditions or disability are unable to continue to work – instead of contributing to the economy many are forced to rely on public assistance programs. For others, health conditions contribute to absenteeism or lower productivity in the workplace. The experiences of these study participants demonstrate the value of preventing, delaying or mitigating the impact of their illnesses on their ability to work. This kind of investment is not a luxury, it gives Maine a competitive edge.
9. **Eliminating health insurance coverage for this group will not make their need for care, or the costs associated with care go away.** If Maine eliminates coverage for low-income adults, the state will forgo \$37 million in federal funding, while shifting that cost to the private sector. People who are chronically ill and uninsured eventually will access the health care system—they just won’t be able to pay for their care. Although doctors and hospitals will absorb some of these costs, they will be forced to increase their fees as a cost of doing business, and these higher fees will drive health insurance premiums up. Fewer employers will be able to afford to offer coverage. More people become uninsured. And on the cycle goes.
10. **Maine’s low-income adult program has reduced the uninsured rate for this group dramatically despite periodic freezes in enrollment and long waiting lists.** Prior to the implementation of the program in 2002, almost 40 percent of childless adult Mainers with income below the poverty level (\$10,890 for a single person), ages 21-64, were uninsured. As a result of this program, the percent of uninsured low-income adults was reduced to 29 percent between 2007 and 2008.
11. **Maine people are healthier because of Maine’s longstanding strategy of increasing access to health care.** Maine is the 8th healthiest state in the nation. Seven of the 8 healthiest states provide public health insurance coverage to low-income adults.

Conclusion: Eliminating coverage for low-income adults will not make their health care needs go away. It won’t make the cost of meeting those needs go away either. In the end, there are only two things that will go away if this coverage is lost—Maine’s ability to manage the quality and cost of care for this group and \$37 million in federal funding that could have helped pay for it.