

## **Presenter Disclosures**

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(1) The following personal financial relationships with commercial interests relevant to this presentation existed during the past 12 months:

No relationships to disclose.

#### Structure

- I: Introduction
- II: Medicaid/Medicaid expansion
- III: Statistics
- IV: Race and Welfare
- V: What does it all mean for African-Americans?

## **Definitions/Focus Group**

- De facto discrimination:
  Discrimination in practice and applicability but not necessarily ordained by law.
- Focus group: For the purpose of this presentation, the focus group is economically disadvantaged African-Americans

#### Before I Get Started...

- The purpose of this presentation is to bring the issue of race in America in our healthcare system to the forefront of debate and discussion
- Open-minded to various perspectives
- Email: anthony.adewumijd@gmail.com
- Now let's talk about...RACE!



#### Introduction

Thesis: Due to the health disparities among economically disadvantaged African-Americans, the refusal of certain states to expand Medicaid under the Affordable Care Act is a form of de facto discrimination.

• Examining 4 states: Tennessee, Alabama, Mississippi, and Georgia.

## Food for thought

 Beyond the economical reason, does race play a factor for certain states deciding not to expand Medicaid under the ACA?



#### Medicaid

- The Medicaid program is jointly funded by the federal and state governments and provides health insurance to people with low incomes.
- Prior to the ACA, the mandated coverage groups included:
  - Pregnant women and children under age 6 with family incomes at or below 133% FPL
  - Children ages 6-18 with family incomes at or below 100% FPL

# Medicaid, cont.

- Parents and caretaker relatives who meet the financial eligibility requirements for the former AFDC (cash assistance program)
- Elderly people and people with disabilities who qualify for SSI


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• ACA intended that all states expand Medicaid to cover nearly all people under age 65, who are not pregnant, not entitled to Medicare, not described in an existing mandatory coverage group, and who have incomes at or below 138% FPL



## Medicaid Expansion, cont.

- Federal government will fund 100% of states' costs in 2014-2016, gradually decreasing to 90% in 2020 and thereafter
- ACA also required states to provide newly eligible Medicaid beneficiaries with a benchmark benefits package, which must include the 10 categories of "essential health benefits"

## Medicaid Expansion, cont.

 The ACA originally proposed that all states were required to accept the expansion or lose all Medicaid benefits.

# The Supreme Court

- National Federation of Independent Business et al. v. Sebelius
  - Supreme Court held it unconstitutional for the federal government to require all states to participate in the Medicaid expansion.

## The Supreme Court, cont.

- Threatening non-compliant states with the loss of all their existing Medicaid funds was like putting a "gun to the head" of the states.
- The Court's decision made the ACA's Medicaid expansion optional for states.

## States' Reactions

- 27 states (including D.C.) expanding
- •19 states not expanding
- 4 states to watch (\*TN)



## African-Americans & Medicaid

- In 2011, African-Americans were almost twice as likely as whites to be uninsured
- Although African-Americans make up about 14% of the U.S. population, they account for 20% of Medicaid enrollees

#### African-Americans & Medicaid

- Under the expansion, approximately 4 million legally present, non-elderly African-Americans will be newly eligible for Medicaid
- As of 2011, nearly 1 in 5 African-Americans were uninsured, and nearly 2 in 3 African-Americans had incomes below the Medicaid expansion limit

## **4 Focus States**

- In 2011, at least 45% of Medicaid enrollees in GA and AL were African-American
- 67% in MS and 27% in TN
- If these states expanded:
  - 50% in MS would be eligible
  - 36% in AL, 34% in GA, and 22% in TN


#### Closer look at TN

- 17% of TN population are African-Americans
- About 16% of the Tennessee population are uninsured
- Nearly 118,100 African-Americans in Tennessee would gain access to health insurance with expansion



# TN update

- August 2014: Governor Haslam is in "talks" with federal officials and may submit a plan to expand Tennessee's Medicaid program
- No details on the plan

# **Race and Welfare Programs**

- Law Review article by Professor Lee Harris- From Vermont to Mississippi: Race and Cash Welfare
- Proffers a race-based explanation for why states distribute varying amounts of cash assistance (Temporary Aid to Needy Families)

## Race and Welfare, cont.

• Suggests that the level of cash assistance that states offer to welfare recipients is motivated, at least in part, by the proportion of African-American families in the welfare population

# Race and Welfare, cont.

- 2 Arguments made:
- Poor African-Americans are disadvantaged when cash assistance is distributed at the state level because they tend to participate less frequently in state political affairs
- History of discrimination against African-American welfare recipients

#### Example

New Deal programs and the Social Security Act of 1935:

States, especially southern, were free to administer federal funds with little federal oversight.

- States were able to guarantee that most African-American domestic and agricultural workers were excluded from Aid to Dependent Children (ADC) coverage.

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# Comparison to Medicaid??

- Does race play a factor in certain states choosing not to expand Medicaid?
- Probably not directly
- Economic concerns such as how states will cover the 10% of expenses in 2020 are legitimate
- However, this does not mean effects on race should be ignored!

## Just a Coincidence??

• The 4 focus states are southern states with their own respective history of racial issues (e.g., "Jim Crow" era)

# Disproportionate Effect/De facto Discrimination

- Refusing to expand Medicaid leaves many poor African-Americans uninsured
- General purpose of the ACA was to increase healthcare coverage to more Americans
- Racially motivated or not, refusal of expansion has a discriminatory impact

# What Does This Mean for African-Americans

- Many remain uninsured
- Dependence on non-profit medical centers as a source for primary and preventive care
- Emergency rooms

#### **NAACP**

 October 21, 2014: TN NAACP chapter held a mock funeral on the state Capitol to "mourn for the denial of Medicaid expansion"



## Conclusion

- Race needs to be considered in health care legislation
- States that choose not to expand Medicaid under the ACA, disproportionately affects poor African-Americans and the refusal to expand is a form of de facto discrimination
- Need more minorities in positions to advocate for changes that benefit their respective communities.

# Thank You!!!

- APHA
- Cecil C. Humphreys School of Law at the University of Memphis
- Professor Amy Campbell
- The great city of New Orleans
- Family and friends

\*Images provided by image.google.com; nashvillepublicradio.org; kff.org

