

Healthcare Discrimination in New Orleans, Louisiana, and Nationwide A Case Study of Dually Eligible People with Medicare and Medicaid

How Government Policy Decreases Access to Health Care and
Violates Civil Rights of Elderly and Disabled African Americans in New Orleans
And Five Million People Across the United States

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Louisiana healthcare policy discriminates against 108,000 of the oldest, poorest, sickest, and most disabled people in the state. These are dually eligible people. They are low-income Medicare beneficiaries who also have Medicaid.

The Congressional Balanced Budget Act of 1997 allowed states to decrease their share of the Medicare payment for poor Medicare beneficiaries who also had Medicaid. Nationally, this Act allowed five million poor Medicare beneficiaries to receive less physician reimbursement than wealthy beneficiaries and created a discriminatory, two-tiered Medicare system.

In 2000, Louisiana joined two-thirds of all states and decreased payment for poor Medicare beneficiaries. In 2003, a Report to Congress by Secretary of the US Department of Health and Human Services Tommy Thompson proved that the Balanced Budget Act decreased access to medical and psychiatric care for low-income Medicare beneficiaries.

Low-income Medicare beneficiaries in New Orleans and elsewhere are disproportionately elderly African Americans and mentally and physically disabled people. These groups have long histories of suffering discrimination and are protected by the Civil Rights Act of 1964 and the Americans with Disabilities Act:

- Wealthy Medicare beneficiaries get full Medicare benefits, while poor beneficiaries get *partial* Medicare benefits. Because African-American Medicare beneficiaries in New Orleans and elsewhere are disproportionately poorer than White beneficiaries, they suffer a disproportionate decrease in healthcare access. This violates the Civil Rights Act.
- Healthy and wealthy Medicare beneficiaries get full Medicare benefits, while poor beneficiaries with severe mental and physical disabilities get *partial* Medicare benefits and decreased healthcare access. This violates the Americans with Disabilities Act.

Five years have passed since Secretary Thompson's report, yet this social injustice continues. If the Louisiana Department of Health and Hospitals restores payments, state-induced healthcare discrimination and disparities will be reduced. By restoring payments for primary medical care, Louisiana will save money by keeping elderly and disabled people in the community and out of expensive hospitals and nursing homes.

All Medicare beneficiaries worked, paid payroll taxes, and earned the same Medicare benefits. A government policy that decreases reimbursement for Medicare beneficiaries solely because they are poor decreases access to health care and causes disproportionate harm to elderly African Americans and mentally and physically disabled people in New Orleans and five million people nationwide. This hurts New Orleans' healthcare recovery and heightens our city's mental health crisis.