Ibis Reproductive Health

Research Brief: The Impact of Medicaid Coverage Restrictions on Abortion

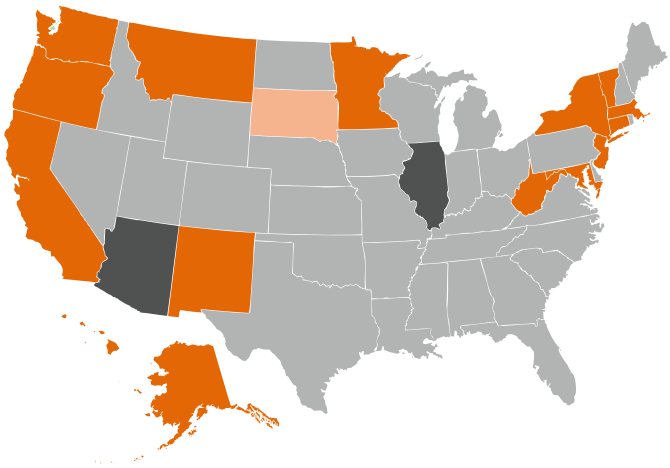
ALL* ABOVE ALL

OVERVIEW

Medicaid is a health insurance program for low-income people who meet certain eligibility criteria.[1] The program is a critical resource for those with limited financial means; Medicaid coverage has been shown to improve health and education outcomes, and to reduce mortality.[2-4]

Though Medicaid covers a range of medical services, including pre-natal and childbirth care, abortion is generally not covered. The Hyde Amendment, passed in 1976 and renewed annually as part of the federal appropriations process, prohibits federal funding for Medicaid coverage of abortion care except when a woman is pregnant as a result of rape or incest, or when her pregnancy endangers her life. States have the option to use state funds to provide abortion care coverage in a wider range of cases, but most states follow the federal example and restrict Medicaid coverage of abortion to the limited cases allowed under the Hyde Amendment.[5]

Medicaid Coverage of Abortion



32 states and the District of Columbia ban state Medicaid coverage of abortion. They are legally required to provide coverage in the cases of rape, incest, and life endangerment, but usually fail to do so. (AL, AR, CO, DE, FL, GA, ID, IN, LA, KS, KY, LA, ME, MI, MS, MO, NE, NV, NH, NC, ND, OH, OK, PA, RI, SC, TN, TX, UT, VA, WI, WY, DC)

15 states provide state Medicaid coverage of abortion for low-income women in most cases. (AK, CA, CT, HI, MA, MD, MN, MT, NJ, NM, NY, OR, VT, WA, WV)

2 states say they provide state Medicaid coverage of abortion for low-income women in most cases, but usually fail to do so. (AZ, IL)

1 state limits Medicaid coverage to cases of life endangerment, in defiance of federal law. (SD)

The Hyde Amendment is a policy with far-reaching impacts. It has been shown to contribute to numerous, well-documented harms and takes particular aim at poor women, women of color, and young adults. The Hyde Amendment also interferes with health care providers' abilities to offer care according to their own medical judgment. The negative effects of this outdated policy could easily be avoided if abortion care was covered by Medicaid, just as childbirth, pre-natal care, and many other health services are covered.

MEDICAID 101

Medicaid is a joint federal-state program. The costs and governance of the program are shared by both the federal and state governments. Operating under federal guidance, states have broad latitude to design their local Medicaid program, which means that the process for enrolling in Medicaid and the benefits covered by Medicaid can vary substantially from state to state.[6]

Medicaid is the largest health insurance program in the US, providing health care coverage for more than 22 million low-income Americans.[6] An estimated 51% of Americans have either been insured by Medicaid or know someone who has been enrolled in the program.[7]

Medicaid covers a wide range of health care services and often covers more services than most private health insurance plans.[6] States are federally mandated to cover some services, including family planning, pre-natal care, and childbirth.[8] States can also cover more health services than required by federal law. Most states do cover these additional, "optional" services which include prescription drugs, personal care services, and rehabilitation services.[8]

Medicaid coverage leads to many positive outcomes. Compared to the uninsured, people with Medicaid are more likely to get routine medical care and less likely to struggle with medical bills.[9] Medicaid coverage is also associated with improved health care and education outcomes, as well as reductions in mortality.[2-4]

Medicaid is an especially important program for women. Women make up 67% of Medicaid enrollees.[10, 11] Over 9 million reproductive-aged women were insured by Medicaid in 2011, a figure which has increased under the Affordable Care Act.[12, 13] Women with Medicaid are more likely to be poor, members of a racial or ethnic minority, and in fair or poor health compared to the general population.[10]

Abortion Care Costs and Coverage Under Medicaid

Abortion care is usually not covered by Medicaid except in case of rape, incest, and life endangerment of the woman—a significant exception to the wide range of services covered by the program.[5]

The majority of women insured by Medicaid pay out-of-pocket for their abortion care. For most women, this care will cost approximately $500,[14] though in some situations—particularly for later abortions or when a woman has a significant medical issue—a woman may need to pay upwards of $1,500 or more.[15] This is a major barrier to access to abortion care given the very limited incomes of Medicaid enrollees and that out-of-pocket costs for other medical care are already burdensome and growing twice as fast as their incomes.[16]

Restrictions on Medicaid coverage of abortion target individuals already experiencing health disparities and inequities, including poor people, people of color, and young adults.

• Because people insured by Medicaid all have low incomes, and because the Hyde Amendment applies only to people covered by Medicaid, the amendment targets poor families.

• Restrictions on Medicaid coverage of abortion are discriminatory against women of color, and in particular Black and Latina women, as they are more likely than White women to be poor and qualify for Medicaid,[10,17] and are more likely to face financial barriers paying for abortion care.[18] Additionally, because of broader social and economic disparities, and existing gender, income, racial, and ethnic inequalities in the US, unintended pregnancy and abortion are disproportionately experienced by poor women and women of color.[19-20]

• Because young adults often have limited financial resources to pay out-of-pocket for health care, face relatively high risks of unintended pregnancy, and have higher abortion rates compared to the general population, young adults on Medicaid may be particularly impacted by the denial of coverage under the Hyde Amendment.[21-22]

Documented Impacts on Women of Restricting Abortion Coverage

Restrictions on abortion can severely impact the well-being of women and their families. Research shows that such restrictions can lead to emotional, financial, and physical harms, including poor emotional well-being, physical health impairments, intimate partner violence, and poverty.[23-29] Also, restrictions that impede access to abortion interfere with women's autonomy, which can have deleterious consequences for women's life plans and their economic well-being.[15, 28, 30]

Among restrictions, preventing the use of Medicaid coverage for abortion is particularly impactful, causing the below serious harms. Coverage restrictions:

• Create confusion about when abortion is covered by Medicaid and how to obtain abortion coverage;[31]

In secret shopper research of Medicaid information lines, 36% of calls about abortion coverage were answered incorrectly and 52% of Medicaid information line respondents discouraged callers from seeking Medicaid coverage for abortion because of the difficulty of securing coverage.[31]

• Create a de facto ban on coverage for any reason, making Medicaid coverage for abortion care inaccessible even in cases of rape, incest, and life endangerment;[32]

A study found that states that restrict abortion coverage to the federal exceptions only covered 36% of the abortions that should have been eligible for coverage.[32]

• Interfere with women's personal medical decisions and undermine their autonomy by putting care out of financial reach;[33-35]

When asked her opinion about the Hyde Amendment, one 21-year-old, low-income, White woman who had an abortion said, "It's not enough just to make it legal to have an abortion. If it's not cost available, then it's practically the same thing as keeping it illegal because…if you can't afford something that you need, it might as well be illegal to you."[33]

• Delay women from obtaining abortion care while they search for the financial resources to pay for an abortion out-of-pocket,[35,36] which is concerning as delays increase the costs and potential health risks of a later abortion;[15,37]

Explaining what it took for her to gather the money for her abortion, one 27-year old, low-income, Black woman said, "It was hard, it took me three weeks…. I don't have a strong family support where I could borrow money from…. The payday loan [I took out for my abortion] wiped out my entire account…. I got a three-day notice on my apartment door, and things started to spiral out of control and then when I became evicted I lived in a shelter temporarily."[35]

• Force women and their families to endure financial hardships to afford care, such as forgoing food or schooling, taking out payday or other loans, delaying bills or rent, putting large amounts on credit cards, and pawning belongings;[35-36]

One 19-year-old Latina who is low-income described how she raised money for her abortion: "I had to put off a lot. I sacrificed so much just so I could come up with this money…. Like my light, I had to do payments 'cause they were about to shut it off 'cause…my income was very low. And it was embarrassing…. I had to survive off food boxes too. I would go to the food bank and get food boxes…but like sometimes toilet paper – it was just little things like that that were missing and I had to sacrifice real quick."[35]

• Put women's health and well-being at risk when they go without food, shelter, or other necessities in order to put money towards an abortion;[33,37]

A 21-year-old White, low-income woman said of paying for her abortion, "I saved as much money as I could with still paying my rent and water and electric and car payment and child support and everything else that I have to pay. I ended up being late on my electric bill…. You can't have groceries when you don't have electricity…. Hot water heaters are electric. Little things like that that you take for g ranted until you don't have electricity, [you have] ice cold showers and no groceries in the fridge."[33]

• Lead to women relying on the good will of abortion providers and abortion funds to cover procedure costs;[33,38]

One abortion provider explained how her clinic tries to assist women struggling to make ends meet: "We want women to have to pay as little as possible for their health care because we know financial barriers are a huge issue.... So we piece things all together and those who can pay, we ask them to pay, and those who can't, we work really hard to make sure they have access."[38]

• Increase trauma for women who have experienced rape or incest and have to prove they have been sexually assaulted to qualify for Medicaid coverage;[39]

One abortion clinic administrator reflected on the hoops women have to go through to prove their abortions should qualify for Medicaid coverage under the limited exceptions of the Hyde Amendment and said, "In these particular cases [I wish] they didn't have to go through these extra steps and burden of thinking about one more thing in addition to being raped, or being concerned about their medical condition threatening their life." [39]

• Force 1 in 4 women who qualify for Medicaid to continue unintended pregnancies,[36] which are associated with poorer maternal and child health outcomes compared to planned pregnancies;[40] abortion restrictions that force women to continue unintended pregnancies can push as many as 1 in 3 women into poverty;[41]

An abortion clinic counselor reported, "There are certainly women who have an unwanted pregnancy, and wish to terminate, and don't have the funds to. They may, out of necessity, continue the pregnancy because they don't even have $340 dollars to do the termination."[32]

• Risk the health and lives of women who are denied abortion coverage when carrying pregnancies that threaten their lives.[32-33]

One abortion provider shared the story of a woman who needed an abortion to undergo life-saving cancer treatment: "She had a reoccurrence of throat cancer, and had to undergo chemo, and they had to withhold the chemo because they found out she was pregnant, so she had to terminate the pregnancy in order to have chemo, in order to treat the reoccurring throat cancer." Medicaid would not cover the abortion.[32]

Documented Impact on Health Care Providers of Restricting Abortion Coverage

Medicaid is a key health care payer for many health care providers, including those who perform abortions. However, many health care providers face challenges participating in Medicaid, navigating the Medicaid bureaucracy, and obtaining adequate reimbursement rates for services.[10,32]

Restrictions on abortion coverage exacerbate health care providers' challenges working with Medicaid. They:

• Promote lack of clarity about when abortion care is covered, making it difficult for providers to give their patients up-to-date information about the potential for insurance coverage;[32]

One study found that 64% of claims providers believed qualified for coverage were rejected in states where restrictions on Medicaid coverage are in place.[22]

• Create complex billing procedures that make it difficult to file Medicaid claims, particularly for abortions in cases of rape, incest, and life endangerment when extra paperwork is often required and claims are often rejected;[32]

In one study, providers described billing Medicaid for abortion as "futile," "a big runaround." [32]

• Interfere with medical judgment when Medicaid staff—instead of a woman's doctor—decide when a condition is life endangering "enough" to merit coverage, or when a woman has experienced rape or incest;[32]

A clinic administrator reflected, "Women that we, or possibly another doctor, may believe an abortion is necessary to save the life of a pregnant woman — oftentimes, when it goes to Medicaid, they don't agree with that assessment…. When you have a woman who needs to have an abortion right away, you can't sit and wait for a week for Medicaid to decide what to do." [32]

• Drain resources at facilities that provide abortion care and have to spend large amounts of time filing and responding to incorrectly rejected claims;[32]

A clinic administrator reflected on working with Medicaid claims: "We have never been reimbursed by Medicaid for an abortion. We have trouble with gynecology getting reimbursed appropriately. And a number of times we have to turn things back in, the average is three times that we have to do paperwork before it's all accepted.... And for abortion, we may try seven different things and then we give up because it's not worth the staff time anymore. It's just at some point—how damaged is your head from that brick wall?" [32]

• Place unreasonable financial burdens on health care providers who cut back on staff or cut staff salaries to continue to keep their doors open.[32]

Many providers reporting "eating the costs" of abortion care that should be covered Medicaid. Some providers said this cost them around $100,000 a year, a cost that is unsustainable.[32,38]

Conclusions

Removing restrictions on Medicaid coverage of abortion care would largely eliminate harms to women. When Medicaid coverage for abortion care is available, women have a clearer understanding of how to access the care they need and are at less risk for going into debt and needing to take extreme measures to pay for care. Medicaid coverage for abortion also helps prevent harms to women's health and well-being, and ensures women can implement private medical decisions with dignity and without delays.[26, 35, 36]

Restoring Medicaid coverage of abortion care would also go a long way towards addressing the challenges health care providers experience working with Medicaid for abortion coverage. Providers working in states where there is full coverage of abortion care under Medicaid report that they are able to be reimbursed for care provided.[32, 35] If challenges working with Medicaid are addressed, more health care providers may participate in Medicaid, helping to ensure women's access to timely Medicaid-covered services.[6]

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