

Wal-Mart Employees Resort to Medicaid

The effects of the “Wal-Martization of the economy” are coming under Congressional scrutiny, as legislators have discovered that many Wal-Mart employees get paid so little that they are eligible for Medicaid. Sen. Edward Kennedy (D-Mass.) introduced the Health Care Accountability Act in the Senate on June 22; a similar bill was introduced in the House by Rep. Anthony Weiner (D-N.Y.). The bills would require states to report annually on the number of employees of large companies who receive health-care coverage through taxpayer-funded health care and not employer-based plans.

There are more than 600,000 Wal-Mart employees who are forced to get health insurance from the government with Medicaid and SCHIP (States’ Children’s Health

Insurance Plan). Kennedy said, “They should not underwrite the profits of large companies like Wal-Mart.”

The problem is caused by an increase of low-wage and non-union jobs, and a decline in manufacturing jobs. Right now 15 states which require disclosure demonstrate that Wal-Mart is the biggest abuser of taxpayer-subsidized health care, costing more than \$210 million in taxpayer dollars, including \$61 million in Florida, \$47 million in Tennessee, \$32 million in California, and \$3 million in Massachusetts. Representative Weiner said, “This legislation will allow us to paint a fuller picture of the Wal-Mart debate than a superficial examination of the price of a pair of jeans.”

Currently only 41-46% of Wal-Mart workers are insured under the company plan, while nationally 68% of workers in large companies have health coverage in employer-sponsored health plans. Wal-Mart’s benefit policies deny coverage to some workers and make the plan too expensive to purchase.—*Greg Murphy*

erals to effectively treat the virus. Harold Henderson, director of infectious diseases at University of Mississippi Medical Center, said patients receiving this inferior care “are more likely to develop a drug-resistant viral strain, which is harder, more costly, or even impossible to treat.”

The elimination of benefits for 50,000 people in the Poverty Level, Aged, and Disabled (PLAD) program has been held off until Dec. 31. Should these people lose medical benefits, such as dialysis, and nursing home care, many will die. Gov. Haley Barbour (R) will reduce home health visits from 60 to 25 per year.

South Carolina: Gov. Mark Sanford (R) will shift all 850,000 to 1 million Medicaid beneficiaries into managed care and give them debit cards to spend limited funds from their personal health account on whatever is most important for them. For example, the diabetic elderly will have to choose between getting treatment of an ulcerated leg sore that could lead to amputation, or chest pains that could be a heart attack.

Tennessee: Gov. Phil Bredesen (D) is in the process of eliminating 325,000 uninsurable, chronically ill people from the state’s extended Medicaid program, called TennCare. His second phase of limits prescription drugs (two brand-name, three generic), and cuts services dramatically for 396,000 adult beneficiaries who remain in Medicaid. It eliminates methadone clinic coverage entirely. *All* private duty nursing for adults, including patients dependent on ventilators, is eliminated. As of July 1, only five prescription drugs are allowed per month; only 12 physician visits allowed per year; only a few hospital days per year. Since Bredesen is cutting 30,000 mentally ill from TennCare and the state will no longer pay for their medications, the cost of treating any suicidal or

violent behavior will be borne by hospitals, jails, public health centers, and the public health safety net, which is also expected to take up the medical needs of those half million TennCare enrollees who will soon lose coverage. Tennessee has applied for a Federal waiver to exempt it from providing methadone treatment for adults over 21 years of age. The state hospital association said the Medicaid cuts will lead to profound, irreversible changes, and will likely cause some 20 rural hospitals to close.

Texas: The Medicaid population in Texas for 2004 was 2,683,229. Of these, some 1.45 million children did not get basic medical check-ups in 2004, up from 1 million in 2000. This is the basis of a 12-year-old legal battle against the state. This year, Gov. Rick Perry (R) will cut Medicaid funding to nursing homes by \$1 billion. Texas nursing homes already rate 50th in the nation in per-capita Medicaid funding. New Medicaid cuts now only allow the cheapest drugs available for the mentally ill, those with HIV/AIDS, and other disabled individuals. Medicaid will allow four name brand drugs a month. Some of the state’s sickest, most disabled patients will be forced onto Medicaid managed-care programs.

Midwest

Michigan: Gov. Jennifer Granholm (D) characterized the House-passed bill that cuts benefits for 30,000 parents and caretakers and 13,000 healthy 19- and 20-year olds as unprecedented in its cruelty. Michigan has 1.4 million Medicaid enrollees. Republican lawmakers are levying new \$5 monthly premiums; higher \$3 copayments for doctor visits and medications; and \$25 payments for emergency room use for non-emergency services. The Michigan Hospital Association said