

**Press Release
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Contact: Milo Mumgaard (402) 438-8853

FEDERAL COURT OF APPEALS ORDERS NEBRASKA TO PROVIDE MEDICAID TO OVER 10,000 PARENTS CUT OFF BY NEBRASKA LEGISLATURE

Today the U.S. Court of Appeals for the Eighth Circuit, which includes Nebraska, issued a resounding order to the State of Nebraska to immediately provide Medicaid to over 10,000 working yet low-income single parents. These working mothers, living and working in almost every county in Nebraska, were cutoff of Medicaid this winter due to budget cutting decisions made by the Nebraska Legislature in special session last August. By cutting these working mothers off Medicaid, the State of Nebraska expected to save almost \$18 million a year.

“Our position has always been its clear under federal law that the class members are entitled to continuing Medicaid coverage through the Transitional Medical Assistance program,” said Becky Gould of the Welfare Due Process Project at Nebraska Appleseed. Gould was lead counsel on the case, along with Steve Hitov of the National Health Law Program, and Allen Overcash and Michelle Paxton of the Woods, Aitken law firm. “The 8th Circuit clearly agreed.”

“Now the State of Nebraska must once again provide Medicaid to these families who desperately need medical care, all of whom have no other options and all of whom deserve continuing Medicaid health care coverage,” said Milo Mumgaard of Nebraska Appleseed, co-counsel on the case. “We expect to see the injunction put into effect in the next few days, with thousands of families being told they once again can see the doctor, go to the hospital, and get their prescriptions filled.”

The members of the class all lost Medicaid health care coverage when the Nebraska Legislature eliminated eligibility for low-income working parents in special session in August, 2002 - health care assistance previously provided by the State of Nebraska for over forty years. Each member of the class has been terminated from Medicaid due to a new method of counting income. The plaintiffs argued that, under federal Medicaid law, they and the class are still entitled to continuing Medicaid coverage through the TMA program. This program provides another year of health care coverage for those terminated from Medicaid. State officials denied they were required to provide this continuing health care coverage.

Plaintiffs Teresa Kai and Michelle Noller, the court noted, are in great need of health care. “As the District Court found, Teresa Kai takes prescription medications for type II diabetes and high blood pressure. She also suffers from asthma and depression. Ms. Noller has schizophrenia and bipolar disorder, and takes four prescription drugs that have allowed her to perform successfully her daily activities and to maintain employment.”

The decision by the Court of Appeals panel found the plaintiffs case was likely to succeed on the merits, and unanimously reversed a decision of U.S. District Court Judge Laurie Smith Camp.

The appeals court found the plain meaning of the federal Medicaid statute required the class to receive Transitional Medical Assistance in the Medicaid program.

This matter was heard as an expedited appeal, due to the fact over 10,000 families were without needed medical care, and was argued just three weeks ago on June 19. The Court of Appeals stated in this regard: “That the State has a real financial problem, and that it has acted in good faith, we do not question. We have attempted to decide this appeal quickly, because the health of thousands of people is involved, and because the matter is of great public interest. We are sure that the District Court will act with similar expedition.”

A link to the full opinion by 8th Circuit Court of Appeals is available at www.NeAppleseed.org