

## Press Release

FOR IMMEDIATE RELEASE

April 5, 2005

**Contact: Becky Gould, Staff Attorney**  
**Nebraska Appleseed Center for Law in the Public Interest**  
**Phone: 402-438-8853 extension 104**

### **FEDERAL JUDGE REINSTATES MEDICAID FOR THOUSANDS OF NEBRASKANS, RULING STATE OF NEBRASKA VIOLATED LOW INCOME WORKING PARENT'S RIGHTS UNDER FEDERAL LAW**

This morning U.S. District Judge Laurie Smith Camp (District of Nebraska) issued an order requiring the State of Nebraska to reinstate Medicaid benefits to over 1,700 low-income working Nebraskans, from across the state. This order comes as a result of a class action suit filed in federal court last June by Kelly Bowlin, a single working mom from Ogallala, on behalf of over 1,700 working parents who abruptly lost their Medicaid due to a small increase in their income. The Nebraska Appleseed Center for Law in the Public Interest represented the class.

Bowlin lost her Medicaid in January of 2004 as a result of a \$0.50 an hour raise from her employer. In the order, Judge Smith Camp found that, similar to the earlier Kai v. Ross lawsuit filed by Nebraska Appleseed, which required the state to provide transitional Medicaid to over 10,000 low-income parents, Bowlin and the class of Plaintiffs she represents were entitled to transitional Medicaid under federal law.

“We are very pleased with the decision,” said Becky Gould, Staff Attorney at Nebraska Appleseed. “The State of Nebraska should be helping to lower the number of uninsured, rather than increasing the numbers as they did in this situation. This order means these thousands of working parents, who don’t make enough to afford private health insurance, will have Medicaid for a year to transition off the program. This means they can be sure their medical needs are addressed, at least for this year.”

In addition, “these are parents who are working hard to become self-sufficient, and providing transitional Medicaid makes it more likely they will not need to go on welfare or return to full Medicaid in the future,” Gould said.

There are, on average, about 1,300 working parents in Nebraska who receive Medicaid through what is known as the “medically needy” category. The extremely low income limit for the medically needy category is \$392.00 a month for a household of 2 and \$492.00 for a household of 3. If a recipient receives a raise or additional hours that put them over the income guidelines, the State of Nebraska has been giving them only ten days notice and then terminating their health care benefits. Federal law requires that these parents be given transitional Medicaid benefits for up to a year so recipients can hopefully find an alternative way to meet their medical needs.

For more information on this case, the Kai v. Ross case, and other advocacy Nebraska Appleseed is doing to lower the number of uninsured, provide healthcare for all, and protect low-income Nebraskans’ access to Medicaid, please visit our web-site at [www.NeAppleseed.org](http://www.NeAppleseed.org).

#####