

**PRESS RELEASE**  
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## **Nebraska Supreme Court Rules In Favor Of Low-Income Parents Dropped from Medicaid**

Nebraska Appleseed, through a successful class action lawsuit, helped to restore Medicaid benefits to hundreds of low-income parents unlawfully dropped from the program by the Nebraska Department of Health and Human Services (HHS). Today, the Nebraska Supreme Court found that HHS "unlawfully enlarged upon authorizing statutes and violated the principles of separation of powers," when it stripped poor families of vital Medicaid coverage by approving a policy that allows HHS to impose a harsher sanction than specified by state law.

Medicaid is the state's health insurance program for low-income families. The suit, *Davio v. HHS*, 280 Neb 263 (2010), was filed by Nebraska Appleseed on behalf of a class of low-income parents who received a sanction lasting up to 12 months for not fully participating in the Employment First Program, the welfare-to-work component of Nebraska's Aid to Dependent Children cash assistance program.

"The purpose of the Employment First program is to help people become economically independent as quickly as possible," said James Goddard, staff attorney at Nebraska Appleseed, who represented the class members. "Medicaid coverage helps to support and stabilize families working their way to self sufficiency. In this case, the Legislature specifically set the penalty for failing to comply with Employment First and that penalty does not include removing Medicaid benefits. The Nebraska Supreme Court found, today, that HHS cannot decide on its own to increase the penalty set by the legislature."

"This case is critical to the more than 6,000 low-income parents who participate in the program and who could be subject to this penalty," said Rebecca Gould, executive director at Nebraska Appleseed. "Removing access to necessary health care for up to 12 months is crippling to any parent who has a chronic medical condition. This case ensures that low-income parents can maintain their health so they can care for their children and successfully enter the workforce, which is the ultimate goal of welfare reform."

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Nebraska Appleseed, a nonprofit, nonpartisan public interest law project, is a national leader in addressing social problems facing vulnerable children without loving and permanent homes, low-income families working hard to make ends meet, and new immigrants seeking a better life. Nebraska Appleseed's current year action plan and description of its six program areas, significant litigation and policy reform successes, and broad-based accomplishments can be found at [neappleseed.org](http://neappleseed.org).

Nebraska Appleseed is a part of the Appleseed network of independent state-based public interest law centers working to identify and address social injustices. The Appleseed network seeks to build a just society through education, legal advocacy, community activism and policy expertise by addressing root causes and producing practical, systemic solutions with broad implication. For more information visit [appleseednetwork.org](http://appleseednetwork.org).

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