

# Healthcare Discrimination in New Orleans, Louisiana, and Nationwide

National Coalition for Dually Eligible People  
[www.nacdep.org](http://www.nacdep.org)

Louisiana healthcare policy discriminates against 108,000 of the oldest, poorest, sickest, and most disabled people in our state.

These are poor Medicare beneficiaries who have Medicaid – “the elderly and disabled poor.” They are one-quarter of all Medicare beneficiaries in Louisiana.

This healthcare policy:

- Decreases access to health care.
- Violates civil rights of elderly and disabled African Americans in New Orleans and five million people across the United States.
- Damages New Orleans’ healthcare recovery:
  - Heightens our mental health crisis.
  - Causes a Doctor Drain from poor neighborhoods to wealthy neighborhoods.
  - Penalizes New Orleans, Jefferson, St. Bernard, and Plaquemines Parishes 50% more than the rest of the state

Medicare in Louisiana has a  
15% "Poverty Penalty" which  
Decreases Access to Healthcare for  
Poor Medicare beneficiaries

**1999 – Medicare payment equal for all**

80 cents from Federal payment

20 cents from Patient, 2<sup>nd</sup> Insurance, or Medicaid

**\$1.00 for ALL Medicare beneficiaries**

**2008 – Medicare Penalty based on poverty**

80 cents from Federal payment

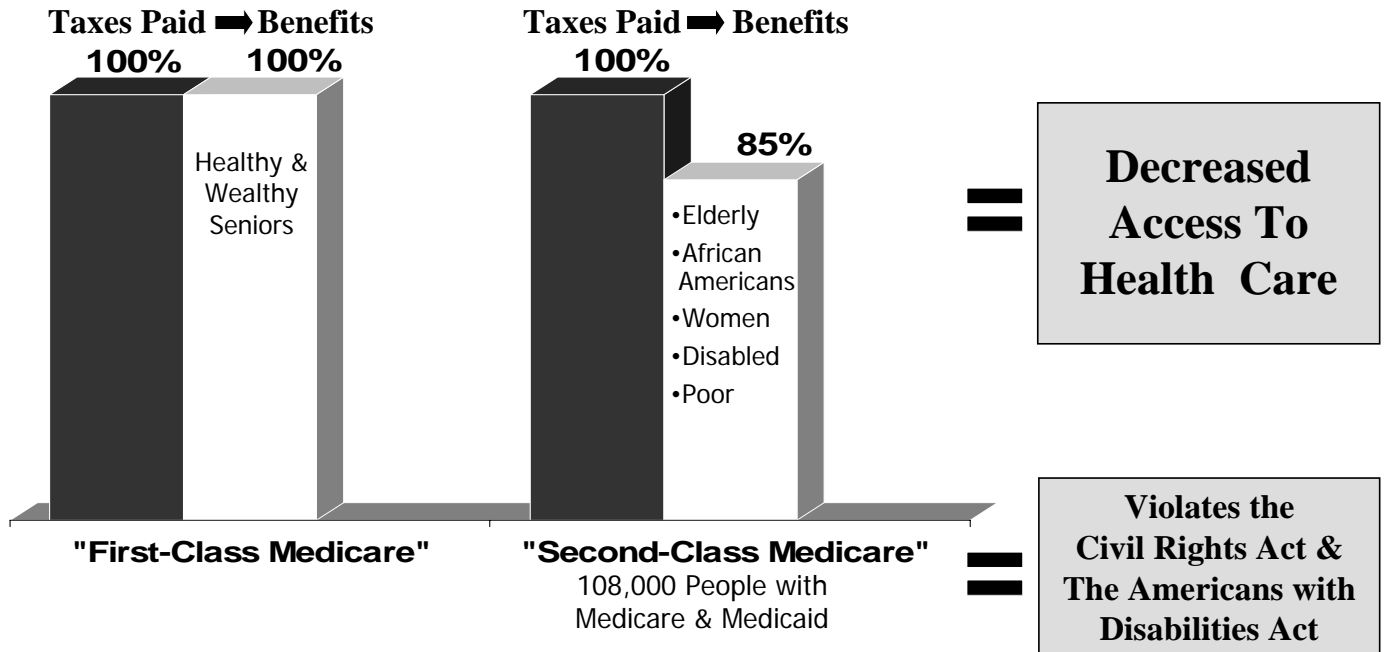
5 cents from Louisiana Medicaid

**\$0.85 only for POOR Medicare beneficiaries**

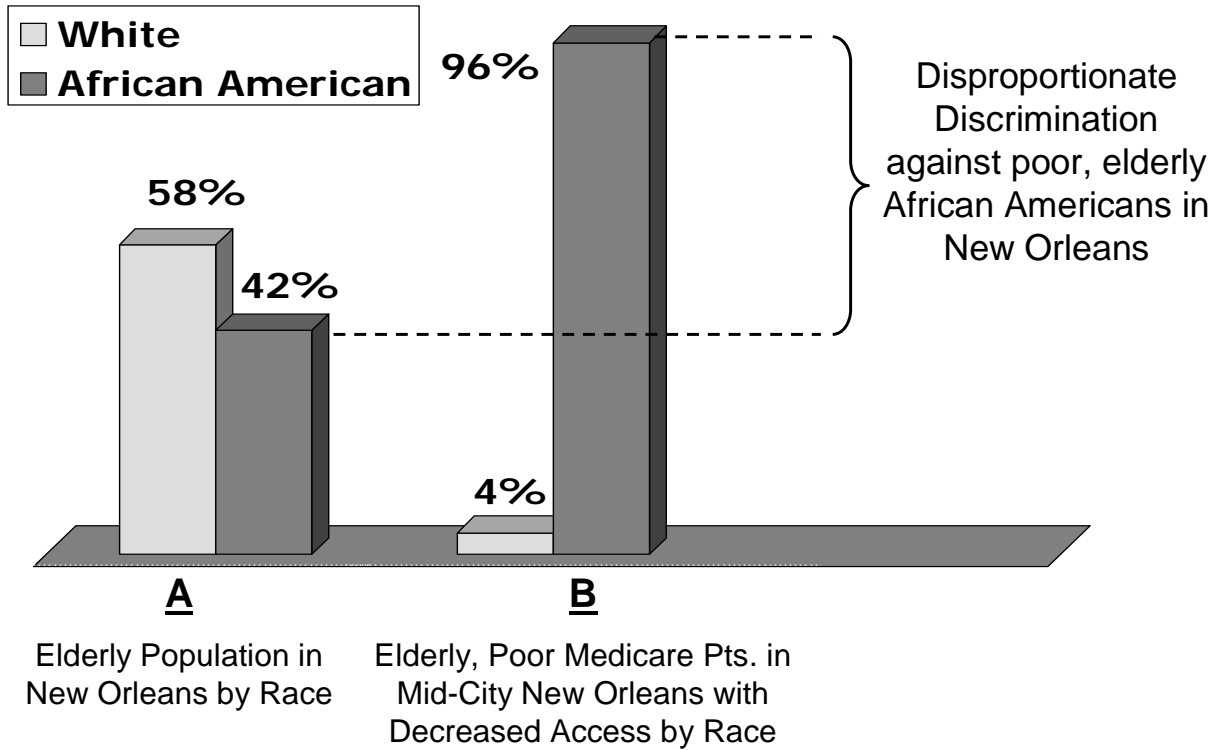
**2003 – Report to Congress: decreased access**

- Primary medical care - 5%
- Mental health care - 21%

# Medicare in Louisiana is a Two-Tiered, Discriminatory Benefit System



# Decreasing Medicare Payment for Poor Beneficiaries Has a Disproportionate Impact Along Racial Lines



# This Heightens Our Mental Health Crisis

- 9,117 people with Medicare and Medicaid lived in Pre-Katrina New Orleans.
- One-third, or about 3,000 of these people, had mental illness.
- If two-thirds returned to New Orleans after Katrina, then an **additional 2,000 mentally ill people have decreased mental health access** because of Louisiana's healthcare policy.
- Restoring Louisiana Medicare-Medicaid "crossover payments" will improve access for 2,000 mentally ill people and improve New Orleans' mental health crisis.

# Medicare's Poverty Penalty Creates A Doctor Drain in New Orleans

## Medically Rich Neighborhoods

Wealthy People



1<sup>st</sup> Class Medicare  
**BONUS**

DOCTOR  
DRAIN



## Medically Poor Neighborhoods

Poor, Minorities

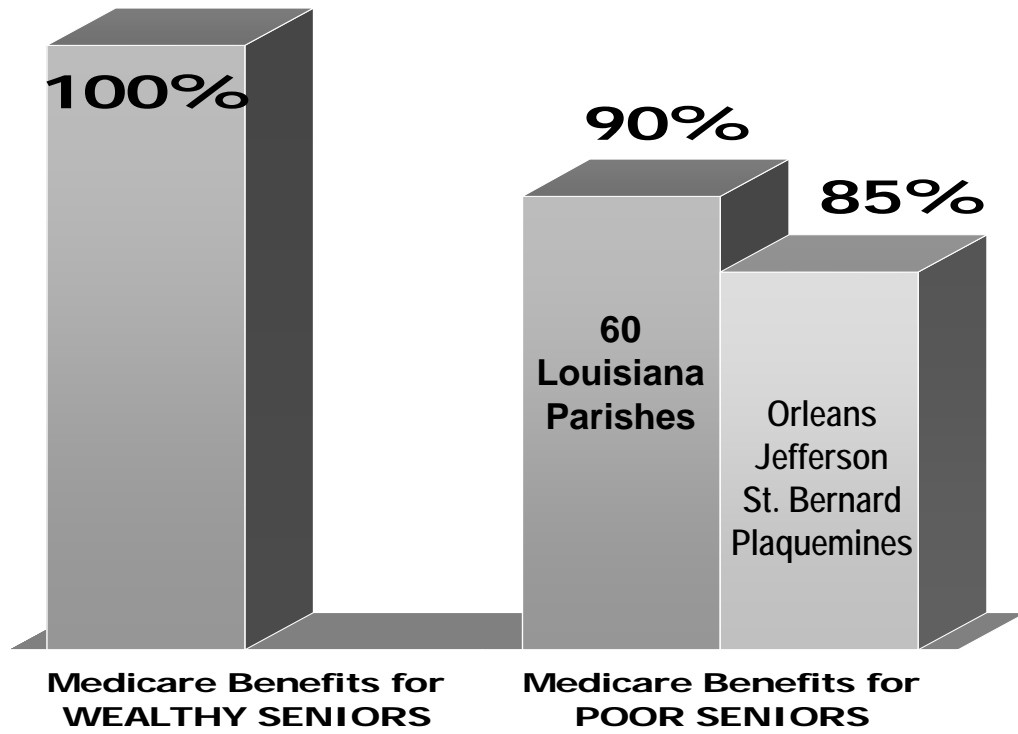


2<sup>nd</sup> Class Medicare  
**15% PENALTY**



Medical Ghost Town

# Louisiana Penalizes Four Katrina-Damaged Parishes With Reduced Medicare Benefits for Low-Income Seniors



**RESOLUTION**

**NO. R-08-604**

**BE IT RESOLVED,**

**THE NEW ORLEANS CITY COUNCIL**

requests the State of Louisiana restore

Medicare-Medicaid crossover payments so all

Medicare beneficiaries in New Orleans have

equal access to their Medicare benefits.