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New Medicaid Initiative Eligible Households by Rural Legislative District

Jon M. Bailey

Center for Rural Affairs, Rural Research and Analysis Program

The Nebraska Legislature is currently considering LB 577, a proposal to implement the new Medicaid initiative in the Affordable Care Act. LB 577 would provide Medicaid eligibility to those with incomes up to 138 percent of the federal poverty level. Included in the new Medicaid initiative would be working adults with incomes at or below the income level. Also included would be childless adults at or below the income level.

It is estimated 54,000 Nebraskans would enroll in the new Medicaid initiative.¹ In Table 1 below we include the number of households in rural legislative districts with residents below age 65 and with household incomes below \$25,000. This represents a conservative estimate of households that would qualify for the new Medicaid initiative in LB 577.²

The legislative districts examined are those not located in Douglas, Lancaster and Sarpy counties or those that are in the exclusively rural portions of those counties. These 25 districts represent the “rural” – or maybe more accurately, the “non-metropolitan” – legislative districts of the Nebraska Legislature.

As shown in Table 1, Census Bureau data show over 49,000 households under 65 in these legislative districts representing would qualify for LB 577’s new Medicaid initiative. This represents over 19 percent of the total households with residents under 65 in those districts. Among the rural legislative districts, the greatest proportions of qualifying households exist in districts containing a mid-size city (Norfolk, District 19; Grand Island, District 35; and Kearney, District 37). However, most other legislative districts comprised entirely of smaller cities, small towns and rural areas also have nearly 20 percent or over 20 percent of households that would qualify for the new Medicaid initiative pursuant to LB 577.

¹ The Fiscal Note for LB 577 prepared by the Legislative Fiscal Office projects that 46,738 Nebraskans would enroll in the new Medicaid initiative in Fiscal Year 2013-14. The number of enrollees would gradually increase to 65,989 by Fiscal Year 2019-20.

² Assuming a household of three, 138 percent of the 2013 federal poverty level equals \$26,344.

These figures demonstrate the importance of Medicaid and LB 577 to rural Nebraska. In general, these legislative districts have the lowest rates of health insurance coverage in the state.³ It is difficult from these data to determine the health insurance coverage status of these households, but many of the adults are likely uninsured because their household income does not allow for affordable health insurance and many likely are employed by firms that do not provide health insurance benefits. LB 577 has the opportunity to provide health insurance and access to a wider range of necessary health care to a significant number of rural people.

<i>District (State Senator)</i>	<i>Total households under age 65</i>	<i>Households under \$25,000 income and under age 65</i>	<i>Pct. of total households</i>
1 (Watermeier)	9,933	1,923	19.4
2 (Kintner)	10,198	1,179	11.6
15 (Janssen)	10,631	2,278	21.4
16 (Brasch)	8,725	1,656	19.0
17 (Bloomfield)	9,955	2,016	20.3
19 (Scheer)	10,376	2,292	22.1
21 (Haar)	13,910	2,457	17.7
22 (Schumacher)	10,164	1,283	12.6
23 (Johnson)	10,794	1,213	11.2
24 (Adams)	9,920	1,452	14.6
30 (Wallman)	11,170	1,545	13.8
32 (Karpisek)	9,145	1,871	20.5
33 (Seiler)	10,699	2,315	21.6
34 (Dubas)	9,941	1,583	15.9
35 (Gloor)	11,841	2,931	24.8
36 (Wightman)	10,331	2,062	20.0
37 (Hadley)	11,752	2,740	23.3
38 (Carlson)	9,274	1,929	20.8
40 (Larson)	9,061	1,949	21.5
41 (Sullivan)	9,633	2,105	21.9
42 (Hansen)	11,582	2,335	20.2
43 (Davis)	9,010	1,685	18.7
44 (Christensen)	10,008	2,288	22.9
47 (Schilz)	10,187	2,157	21.1
48 (Harms)	9,922	2,589	26.1
TOTAL	258,162	49,833	19.3

Table 1. Household Income by Rural Legislative District

Source: United States Census Bureau, 2006-10 American Community Survey

³ Bailey, Jon. 2013. *Health Insurance Coverage in Nebraska: The Rural Implications*. Lyons, NE: Center for Rural Affairs.