

## REDESIGNING GENERAL ASSISTANCE MEDICAL CARE (GAMC)

General Assistance Medical Care provides health care to 35,000 very low-income Minnesota adults. Governor Pawlenty line-item vetoed and “unallotted” the “GAMC” program in 2009. Thirty-five thousand Minnesotans will lose their health care coverage early in 2010 as a result of the elimination of GAMC.

### **THOUSANDS OF MINNESOTANS RELY ON GENERAL ASSISTANCE MEDICAL CARE FOR HEALTH COVERAGE.**

General Assistance Medical Care provides health care coverage to low-income Minnesotans who don't qualify for other state and federal programs. In 2008, more than 77,000 Minnesotans were enrolled in the program at some point – with an average of 35,000 enrolled at any given time. GAMC enrollees:

- Live in rural, suburban, and urban communities across Minnesota. Anoka, Dakota, Stearns and Olmsted counties all have significant numbers of GAMC enrollees, along with Ramsey and Hennepin counties.
- Earn an income at or below 75% of the Federal Poverty Guidelines (\$8,100 a year)
- Have greater likelihood of chemical health or mental health needs: 70% of enrollees have a mental health and/or chemical health diagnosis
- Are disproportionately people of color, especially African-American and Native Americans

Minnesota's public health care program for the working poor—“MinnesotaCare”—does not offer a real alternative for coverage for GAMC enrollees. MinnesotaCare premiums are unaffordable for most GAMC recipients, and the hospital coverage under MinnesotaCare is also very limited. The four-month waiting period within MinnesotaCare also creates a significant barrier to care: Most GAMC enrollees are enrolled into GAMC immediately after a hospital stay, and a four-month waiting period would create a gap in coverage right when care is needed most.

### **THE LOSS OF GAMC FORCES HOSPITALS TO CUT JOBS, SERVICES AT HIGH COSTS TO MN COMMUNITIES**

The loss of GAMC will be felt most acutely by GAMC enrollees, who will suddenly have no health care coverage early in 2010. The loss of this coverage means loss of access to prescription medications, doctor's visits, preventive care, and treatment of chronic conditions. GAMC enrollees will be forced to go to the ER for care, at far greater cost to their health and the health care system overall.

The impact of the loss of GAMC will extend far beyond the GAMC population. The elimination of GAMC will also lead to:

- Between \$200 and \$400 million in hospital losses statewide, including significant losses from Regions Hospital in St. Paul, HCMC in Minneapolis, North Country Health Services in Bemidji, Mercy Hospital in Coon Rapids and Cambridge Medical Center in Cambridge, Minnesota
- Over two thousand job cuts from hospitals, community health clinics, mental health treatment facilities
- Lower quality hospital care – including longer ER waits, fewer specialty units, and higher patient loads
- Increased cost to local government due to increased demand on public safety, other support services
- Growing number of homeless and people living in crisis, and even greater strain on local social services
- Higher health care costs for everyone—the average family pays an extra \$1,000 a year in extra health insurance premiums to compensate for the cost of the growing number of insured in the U.S.

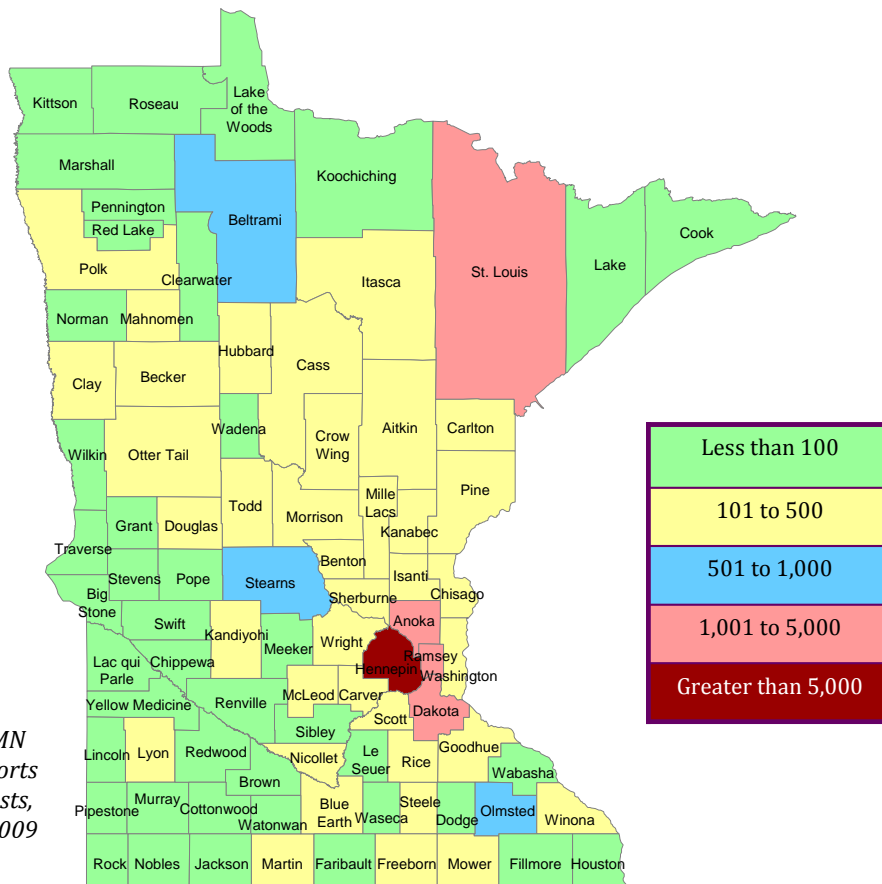
### **HEALTH CARE MUST BE REINSTATED NOW FOR THE GAMC POPULATION WITH A REDESIGNED PROGRAM.**

We urge our elected officials to support the reinstatement of comprehensive health care services to the entire GAMC population through a reformed program, supported by a stable and sustainable funding stream. A reformed GAMC program should:

- **Provide comprehensive care with a complete benefit set.** Surveys of the GAMC population to identify “priority” services have demonstrated that while certain needs are more prevalent than others, comprehensive medical care is necessary, including preventative care, prescription drug coverage, chiropractic care, and emergency care.
- **Respect enrollees and be responsive to their needs.** Some GAMC enrollees have some unique health care needs, such as chemical dependency and mental health issues. All enrollees deserve a health care program that treats them with respect and is responsive to their needs.
- **Provide cost-effective care with greater accountability for health outcomes.** GAMC enrollees should be on the vanguard of receiving health care that is-cost effective and focused on successful outcomes.
- **Ensure continuity of care and care coordination.** Shifting patients from one provider to the next – or from one network to another – disrupts the provision of care and increases costs.
- **Achieve greater ease of enrollment and streamline eligibility.** We oppose any new restrictions on eligibility for the GAMC program; current rules such as retroactive coverage must be preserved.
- **Reduce – rather than exacerbate – health disparities.** Minnesota ranks as one of the worst states in the country in racial inequities in health outcomes. The failure to restore funding for GAMC, which disproportionately covers people of color, would exacerbate Minnesota’s poor standing.

**THE STATEWIDE IMPACT OF GAMC—THE LOSS OF GAMC WILL IMPACT ALL MINNESOTA COMMUNITIES**

Minnesota’s GAMC Enrollees, By County



Source: MN  
DHS Reports  
& Forecasts,  
August 2009  
Reports