



Medicaid Enrollees

SPEAK UP

Medicaid's \$2,000 asset limit keeps the Christensen family from being able to save—a key tool to breaking out of the poverty cycle.

Julie and Marshall Christensen: Provo, UT

Julie and Marshall Christensen have a daughter with a rare and severe form of epilepsy called Dravet Syndrome. Even with private insurance, they were going bankrupt trying to pay their bills. When their daughter qualified for Medicaid, it gave them much needed coverage. However, Medicaid's \$2,000 asset limit prevents them from saving for their children's future. Julie is frustrated that this government program forces her family to stay poor.



Asset test keeps family stuck in poverty cycle

Julie and Marshall Christensen and their two children live in Provo, UT. Eight year old daughter Jessica has a rare and severe form of epilepsy called Dravet Syndrome. Even with private insurance, the Christensen's were going bankrupt trying to pay for the medical bills. For almost 5 years they tried to qualify for Medicaid, but each time they were turned down. Finally, when their daughter qualified for Supplemental Security Income (SSI), she automatically qualified for Medicaid. Eventually, they also qualified for services through the Division of Services for People with Disabilities. With coverage for their daughter's expensive condition, the Christensen's thought their financial situation would improve. Instead, they have found themselves caught in a disheartening cycle.

"I've been judgmental about people on welfare before, thinking 'just get off,' but now I see how the system forces you to stay on it," says Julie. To qualify for Medicaid, the Christensen's can't have more than \$2,000 in assets—which effectively eliminates their ability to save. They can't save to buy a house, a new car or for their children to go to college. More importantly, they can't save for the future care of their daughter and her medical needs should something happen to them. If they do, they are punished and kicked off Medicaid until their assets drop below \$2,000 again. Some months the Christensen's are \$100 over and other times just \$1 over the limit; either way, their daughter loses her coverage. This on-and-off again game of roulette is wearing on the entire family and threatening to their daughter's health and well-being. *"At this rate, we will never break out of the cycle of poverty."* Julie concludes.

A Policy Solution: Remove Asset Test from Medicaid Qualifications

Utah is one of 3 states that still require an asset test before families can qualify for Medicaid. As soon as funding allows, the Legislature should eliminate the asset test. This will give Utah families on Medicaid a powerful financial tool to break out of the poverty cycle. Assets are the building block of wealth. Evidence clearly demonstrates that saving helps families become more financially stable and better prepared for unexpected expenses. Helping families with limited incomes build assets is a long-term sustainable approach to reducing poverty. This financial freedom will ultimately encourage investment in our economy and give enrollees the tools they need to move off Medicaid.