

# Soldier's Misfortune

## Many Virginia Veterans Lack Health Insurance, and Lawmakers Can Help Them

By Massey Whorley, Sookyung Oh and Michael J. Cassidy

Military veterans and their families are among the Virginians who would benefit from the expansion of Medicaid called for in the Affordable Care Act and currently being considered by the Virginia General Assembly. More than 33,000 Virginia veterans, along with their spouses, could gain access to quality, affordable health care coverage – at little cost to the state – if lawmakers do the right thing and approve the expansion.

Contrary to what many assume, veterans and their families often do not have automatic and easy access to Veterans Affairs (VA) health care despite their service to our country.

### Many Virginia Vets Not Covered

Nationally, over 1.2 million veterans lack health insurance, while hundreds of thousands more only have access to VA health care and, in many cases, may live too far from a VA center to be able to conveniently and routinely get care.

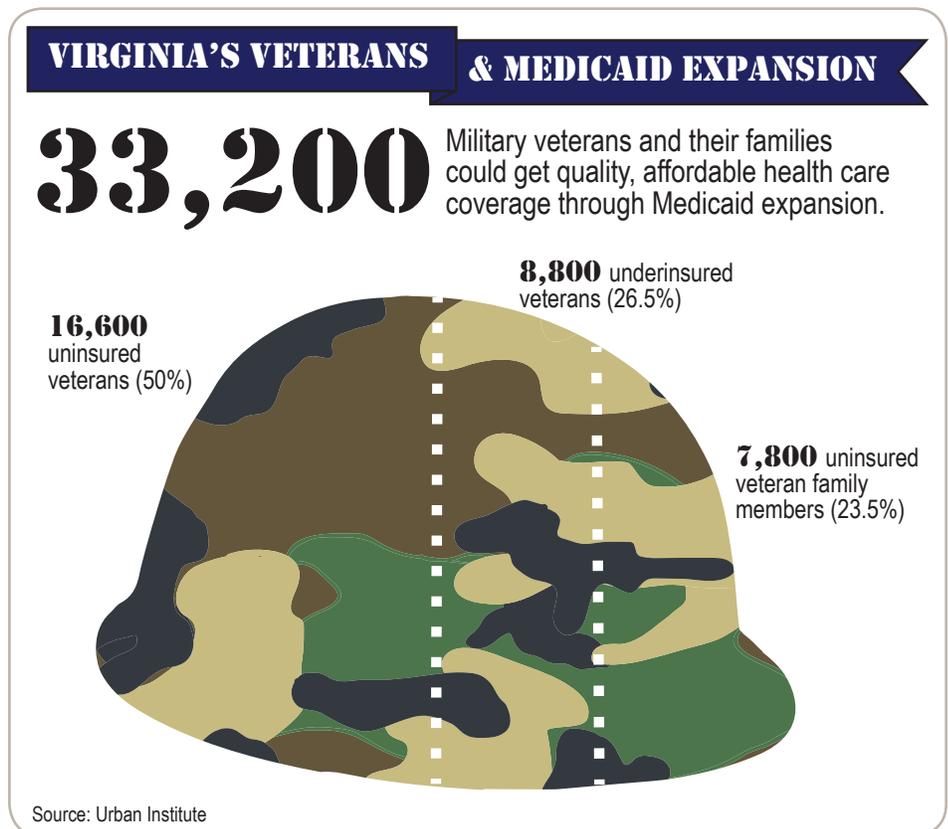
In Virginia, about 34,000 veterans have no insurance and about 17,000 more report having only VA health care.

About half of all uninsured veterans in Virginia – about 16,600 people – and more than half of VA-only insured veterans – 8,800 – could qualify for coverage under Medicaid expansion, which would provide them access to quality, affordable health care in their communities. That's because about 49 percent of uninsured veterans and 52 percent of veterans with only VA care had incomes below 138 percent of the Federal Poverty Level (FPL) – about \$26,000 for a family of three – in 2010.

In addition, about 35 percent of veterans' family members are uninsured and report income below 138 percent of FPL. This



THE  
COMMONWEALTH  
INSTITUTE



means that up to another 7,800 veterans' family members in Virginia would be eligible for Medicaid, too.

The price can't be beat. Federal funds would cover 100 percent of the expansion for the first three years, and no less than 90 percent after that.

**About half of all uninsured veterans in Virginia ... and more than half of VA-only insured veterans could qualify for coverage under Medicaid expansion.**

### VA Benefits Not Automatic

Veterans with incomes below certain thresholds, who served for at least 24 months, and were honorably discharged, are usually eligible for VA health benefits, but coverage is not automatic. In addition to meeting these basic requirements, veterans must also complete an application process, which can be daunting for transient or homeless veterans with no fixed address. Many may not be aware that benefits are available to them in the first place. Expanding Medicaid would ensure these veterans, who served our country, get the medical coverage they need.

Moreover, veterans' spouses and dependents are only able to access VA health care under certain circumstances, some of which require the veteran to have

died in the line of duty or be permanently and totally disabled.

### VA Health Care Available at Limited Number of Locations

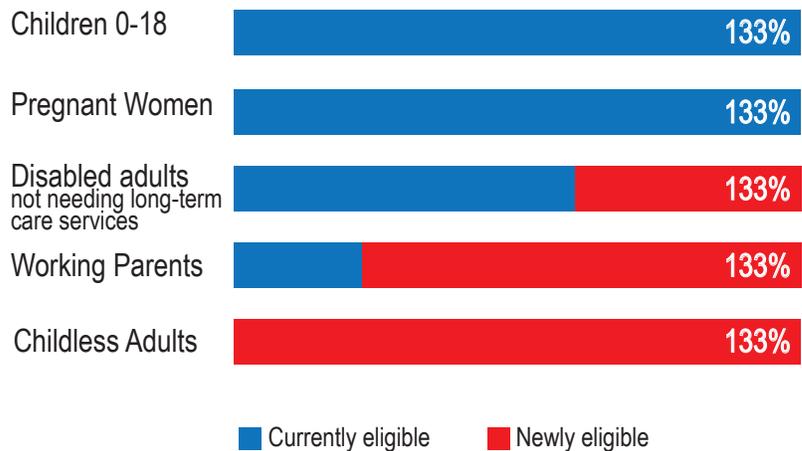
Even veterans who qualify for VA health care face challenges getting the care they need due to the limited number of locations where they can get treatment, routine or otherwise. In Virginia, there are just three VA hospitals: Hampton VA Medical Center in southeastern Virginia; Hunter Holmes McGuire Medical Center in Richmond in the central part of the state; and Salem VA Medical Center in the southwestern part of the state.

To improve access, outpatient clinics have opened where veterans can access some VA health care services in Bristol, Charlottesville, Danville, Emporia, Fort Belvoir, Fredericksburg, Harrisonburg, Lynchburg, Norton, Staunton, Tazewell, Virginia Beach, Winchester, and Wytheville.

These clinics have increased access to care and reduced the travel time many veterans must endure for basic health care. Still, they are no substitute for the access veterans would have to quality care by private physicians in their own communities if Medicaid is expanded in Virginia. By doing so, lawmakers would help serve thousands of Virginians who have already served us all.

## How does Expansion Change Eligibility?

New coverage groups will be added and the income eligibility will increase up to 133% of the federal poverty level for most adults.



Source: DMAS

Currently, veterans and their family members cannot qualify for Medicaid unless they are very low income and meet additional conditions. There are 33,200 uninsured or underinsured Virginia veterans and their family members at or below 138 percent of FPL (annual income of \$26,344 for a family of three in 2012).

Virginia lawmakers have the opportunity to provide these veterans and their family members access to quality health care coverage at little cost to the state. Under the Affordable Care Act, the state can increase Medicaid eligibility for all groups to 133 percent FPL, with a five percent income disregard, starting January 2014. The state would not bear any of the costs of the expansion for the first three years and would be responsible for no more than 10 percent of the costs after that.

### The Commonwealth Institute

The Commonwealth Institute for Fiscal Analysis provides credible, independent and accessible information and analyses of state public policies with particular attention to the impacts on low- and moderate-income persons. Our products inform state economic, fiscal, and budget policy debates and contribute to sound decisions that improve the well-being of individuals, communities and Virginia as a whole. Contact 804-396-2051 or go to [www.thecommonwealthinstitute.org](http://www.thecommonwealthinstitute.org). This work is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs 3.0 Unported License. To view a copy of this license, visit <http://creativecommons.org/licenses/by-nc-nd/3.0/>.

