



POSITION STATEMENT

Optimizing Insurance Coverage for Individuals Postrelease

Introduction

Most individuals imprisoned in federal and state prisons and a large proportion of people in jails lack health insurance, yielding worse health care access postrelease, disruptions in continuity of care for serious conditions, and chances of relapse for many health issues. Lack of insurance coverage postrelease, particularly for mental health and substance abuse services, increases the risk of rearrest, poor health outcomes, and often homelessness.

Local jails admit more than 10 million individuals each year and 50% of them have serious chronic health conditions while 64% suffer from major mental illness. Approximately 53% have drug dependency issues, with 49% having coexisting mental health and substance use disorder diagnoses.

The Affordable Care Act creates unprecedented opportunities for improving health care coverage for correctional populations postrelease. Among states with expanded Medicaid, eligibility is extended to individuals with household incomes at 138% to 400% of the federal poverty level. Coverage through Medicaid improves access to needed medical and behavioral treatment, and can potentially reduce costly recidivism.

Several states continue to terminate Medicaid coverage for people following arrest rather than suspending it. Termination of coverage results in unnecessary delays in Medicaid reinstatement postrelease, hindering health care access. Termination also precludes jail detainees being counted under federal “meaningful use” incentives for health information technology. These incentive programs offer financial payments to providers who optimize their use of health information technology, including use of electronic health records. However, to qualify for these payments, at least 30% of patients under the provider’s care must be Medicaid eligible. Those whose Medicaid has been suspended may be counted as Medicaid eligible. Thus, suspending rather than terminating Medicaid offers both opportunities for improving care continuity and a means to support electronic health records in jails and detention facilities.

Under provisions of the Affordable Care Act that took effect in 2014, incarcerated individuals with household incomes between 138% and 400% of the federal poverty level are eligible for subsidized private insurance through health insurance exchanges following release. People who are detained but not convicted are eligible to apply for subsidized private insurance while in jail.

In contrast to Medicaid, private insurance coverage extends to pretrial detainees, meaning that health care provided during pretrial detention is potentially covered by the detainee’s insurance, providing another source of needed revenue for health care within these facilities. However, most commercial policies exclude coverage for people who are detained or incarcerated.

Position Statement

NCCHC believes that optimizing health insurance coverage and continuity is an important way to improve health care for correctional populations.



Suspension vs. Termination of Medicaid Coverage

States should adopt policies that minimize termination of Medicaid coverage for jail detainees. Suspending coverage significantly expedites activation of Medicaid upon release, thus improving continuity of care. Allowing five days to lapse before suspending Medicaid provides ample time for the individual to be bailed or released, eliminating the need to request reactivation. Suspending Medicaid also allows the individual to be counted for “meaningful use” requirements, enabling more jail health care facilities to qualify for payments for electronic health record systems.

Discharge Planning

As part of early discharge planning, prisons should assist individuals with the appropriate insurance application prior to release. Prisons should take advantage of federal funding for insurance navigators to facilitate this process. This may be in the form of partnerships with community agencies that provide care to these patients postrelease. As part of early discharge planning for longer-term detainees, jails should assist them with the insurance application prior to release. Discharge planning is often enhanced with partnerships with community organizations, including insurance navigators that provide inreach into jails.

Enrollment and Coverage in Private Insurance for Jail Detainees

When feasible, jails should help potentially eligible individuals to enroll in health insurance exchanges. They should also develop systems for billing private insurance, when possible, as a revenue source for health care services.

***Adopted by the National Commission on Correctional Health Care Board of Directors: April 12, 2015
Reaffirmed with revision: May 3, 2020***

Learn More

- [Health Coverage for Incarcerated People](#)
- [National Association of Counties – Federal Policy Impacts on County Jail Inmate Health Care & Recidivism](#)