

## BUSINESS

# Disparities in health insurance need quick attention

By Maya Rockeymoore  
Special to Sentinel-Voice

The lack of health care coverage for vulnerable populations remains a problem of staggering proportions in the United States. According to U.S. Census data, 42.6 million Americans are without health insurance and 24.5 percent of these individuals are near or below the poverty line.

As a disproportionate share of low-income families, African-Americans and other ethnic minorities are more likely than Whites to be among the ranks of the uninsured. Even among families with incomes above the federal poverty level, African-Americans are nearly twice as likely as Whites to be uninsured.

While solutions have con-

tinued to elude policymakers and health care experts, we must continue to be concerned about providing health coverage for the uninsured if we are serious about eliminating health disparities and reducing poverty in our country.

According to the Journal of American Medical Association, 26 percent of the uninsured were not able to see a physician because of the cost of care. Other studies have found that the uninsured are less likely to receive essential medical tests, more likely to go without medication, less likely to visit a doctor, and four times more likely to be denied care because of costs.

The net effect is that the uninsured, particularly those with chronic illnesses like diabetes and hypertension,

are more likely to experience barriers to economic success due to excessive absenteeism and the struggle to pay expensive medical bills.

Unfortunately, there is evidence that access to health coverage for low-income families has not increased in recent years.

A study by Families USA showed that more than half a million people moving from welfare to work in the late 90s lost access to Medicaid because they entered low-wage jobs that did not offer employer sponsored health coverage, ran out of eligibility for transitional Medicaid, were not offered coverage despite their eligibility, or were discouraged from applying by state workers.

As a result, African-Americans experienced a de-

cline in Medicaid enrollment, from 27 percent in 1994 to 21 percent in 1997. The rate of uninsured African Americans living below the poverty level grew from 24 percent to 30 percent during this same time period.

President Bush's budget proposes to combat the problem of the uninsured by offering health care tax credits to lower-income individuals and families and increasing funding for community health centers.

However, the refundable tax credit (thought to be \$1,000 for individuals and \$2,000 for families) would do little to help low-income families purchase coverage when the average annual cost of a family health plan is approximately \$6,300 per year. And while community health

centers provide important health services in underserved communities, they cannot do the job of providing comprehensive health coverage for 43 million uninsured Americans.

Additional proposals in the Bush budget appear to jeopardize the goal of closing the health insurance gap. The budget eliminates the Community Access Program that coordinates care for the uninsured through local partnerships involving community health centers, public hospitals and other health care providers. It also makes deep cuts in funding for health professions programs that provide support for doctors, nurses and other medical professionals working in underserved areas.

The Association of Ameri-

can Medical Colleges warns that these cuts will likely result in serious staffing shortages at community health centers and public hospitals across America.

Other incremental measures that have been enacted in recent years hold the promise of providing more coverage for the uninsured. In place since 1997, the State Child Health Insurance (SCHIP) program has the potential to cover every uninsured child in America at little or no cost.

However, states have had uneven success in enrolling children in the program and more than 10 million children remain uninsured. Some states also have efforts underway to expand Medicaid coverage to uninsured adults whose earnings make them ineligible for Medicaid.

## Groups oppose Wachovia bank merger

CHARLOTTE, N.C. (AP) - It's abundantly clear First Union Corp. dislikes SunTrust's proposed merger with Wachovia Corp. It's also undeniable that SunTrust Banks Inc. feels the same way about a First Union-Wachovia combination.

Then there are the critics who don't like either deal.

"We're against any merger because we have problems with both SunTrust and First Union," said John Boyd Jr., president of the National Black Farmers Association.

In a letter to Federal Reserve chairman Alan Greenspan, Boyd asked for public hearings to be scheduled before any merger gains final regulatory approval.

Specifically, he said the banks have not met the requirements of the 1977 Community Reinvestment Act, which requires federal regulators to review a bank's record for providing credit in low-income and moderate-income neighborhoods, when the bank seeks permission to expand.

"When you look at their records in CRA lending, we feel both banks could have done a lot more for African-American organizations," Boyd said Tuesday from his office outside Richmond, Va.

With 60,000 members, the National Black Farmers Association is challenging the lending records of Wachovia as well as both suitors. The association contends all three banks need to improve their



John Boyd, left, and his mule Struggle, stand in front of the First Union bank's headquarters in Charlotte, N.C., Tuesday as the National Black Farmers Association protests the merger between First Union and Wachovia banks. (AP Photo/Chuck Burton)

minority lending records.

"We feel strongly as banks get larger and larger, it pulls then farther away from the African-American communities," Boyd said. "We feel these banks need to come to the (bargaining) table."

A possible First Union-Wachovia combination passed one regulatory hurdle Tuesday when the Federal Trade Commission granted antitrust clearance to a merger of the two North Carolina banks.

Wachovia shareholders are to vote on First Union's \$13.3 billion offer at the annual meeting Aug. 3 in Winston-Salem. Wachovia's board has already recommended its shareholders accept First Union's offer.

The unsolicited bid by

SunTrust Banks Inc. of Atlanta currently stands at about \$14 billion. Either proposed combination must win the approval of federal and state regulators.

Members of Boyd's organization are planning to come to Winston-Salem to protest the merger with First Union.

"We feel we need to become more visible," he said. His requests to sit down with executives of SunTrust and First Union have been ignored, Boyd said.

"We haven't gotten a response from either party," he said. "We want to get this thing on the table and get a resolution."

Spokesmen for SunTrust and First Union said they knew of no requests to meet with the farmers' group. Both

said they would look forward to such a meeting.

"I'm not aware if they specifically contacted us," said SunTrust's Barry Koling. "We are proud of our record in extending credit and satisfying the needs of all segments of the community."

First Union's Mary Eshet said her bank's community commitment policies were developed with input from more than 50 different community associations.

"We are certainly willing to meet with the National Black Farmers Association," she said. "We meet with our community partners on an ongoing basis."

A Wachovia spokesman did not immediately return a phone message,

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## Chauffeur sues former boss for discrimination

WEST PALM BEACH, Fla. (AP) - A black chauffeur is suing his former boss for discrimination, claiming she paid him less than other drivers, made racist remarks and put a novelty plate that read "Miss Daisey" on her 1961 Rolls-Royce to humiliate him.

Clarence Eads, who was fired last December, claims Nadine House, who is white, hired him because she wanted a black chauffeur.

Eads was paid \$14.95 per hour to drive House and her clients to condo appointments in her luxury cars. He claims he was on call 24 hours a day, unlike the white drivers, but was never paid overtime.

"It's totally untrue," said House, 67, who manages condos next to The Breakers, an exclusive hotel in Palm Beach. Her guests included actress Joan Collins and media mogul Ted Turner. House said she never bought the novelty plate, an apparent reference to the 1989 movie "Driving Miss Daisy," about an unspoken friendship between a black chauffeur (Morgan Freeman) and his white employer (Jessica Tandy).

"Clarence Eads bought the vanity plates, I would never own gold-plated vanity plates," she said.

Attorney Maurice Hall, who represents Eads, 63, said the plate is mentioned in the suit to illustrate House's treatment of his client.

"It's all about, 'How much can I humiliate this guy,'" Hall said.

The lawsuit, filed last week in U.S. District Court against House, The Breakers and Flagler Systems Inc., which owns the hotel and the condo complex - seeks back pay, unpaid overtime and compensation for racial discrimination and retaliation. The Breakers said in a written statement that Eads was fired for "nondiscriminatory reasons."

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