

How Obamacare Went South In Mississippi

By SARAH VARNEY

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The lunch rush at Tom's on Main in Yazoo City had come to a close, and the waitresses, after clearing away plates of shrimp and cheese grits, seasoned turnip greens and pitchers of sweet tea, were retreating to the counter to cash out and count their tips. Wylene Gary was at the register ringing up the last of the \$6.95 lunchtime specials as we chatted about her job, a modest low-paying one of the sort all too common in Mississippi, America's most down-and-out state, where a full [20 percent](#) of the population doesn't graduate from high school, [22 percent](#) lives in poverty—and even more than that, [a quarter](#) of the state, goes without health care coverage.

Gary didn't have health insurance either, not that she hadn't tried. When the Affordable Care Act mandated that Americans buy coverage, she didn't want to be a lawbreaker: She had gone online to the federal government's new website, signed up and paid her first monthly premium of \$129. But when her new insurance card arrived in the mail, she was flabbergasted.

"It said \$6,000 deductible and 40 percent co-pay," Gary told me, her timid drawl giving way to strident dismay. Confused, she called to speak to a representative for the insurer Magnolia Health. "You tellin' me if I get a hospital bill for \$100,000, I gotta pay \$40,000?" Gary recounted. "And she said, 'Yes, ma'am.'"

Never mind that the Magnolia worker was wrong—Gary's out-of-pocket costs were legally capped at \$6,300. She figured that with a hospital bill that high, she would have to file bankruptcy anyway. So really, she thought, what was the point?

"This ain't worth a tooth," she said.

She canceled her coverage.

The first year of the Affordable Care Act was, by almost every measure, an unmitigated disaster in Mississippi. In a state stricken by diabetes, heart disease, obesity and the highest [mortality rate](#) in the nation, President Barack Obama's landmark health care law has barely registered, leaving the country's poorest and most segregated state trapped in a severe and intractable health care crisis.

“There are wide swaths of Mississippi where the Affordable Care Act is not a reality,” Conner Reeves, who led Obamacare enrollment at the University of Mississippi Medical Center, told me when we met in the state capital of Jackson. Of the nearly [300,000](#) people who could have gained coverage in Mississippi in the first year of enrollment, just [61,494](#)—some 20 percent—did so. When all was said and done, Mississippi would be the [only state](#) in the union where the percentage of uninsured residents has gone up, not down.

Why has the law been such a flop in a state that had so much to gain from it? When I traveled across Mississippi this summer, from Delta towns to the Tennessee border to the Piney Woods to the Gulf Coast, what I found was a series of cascading problems: bumbling errors and misinformation; ignorance and disorganization; a haunting racial divide; and, above all, the unyielding ideological imperative of conservative politics. This, I found, was a story about the Tea Party and its influence over a state Republican Party in transition, where a public feud between Governor Phil Bryant and the elected insurance commissioner forced the state to shut down its own insurance marketplace, even as the Obama administration in Washington refused to step into the fray. By the time the federal government offered the required coverage on its balky HealthCare.gov website, 70 percent of Mississippians confessed they knew almost nothing about it. “We would talk to people who say, ‘I don’t want anything about Obamacare. I want the Affordable Care Act,’” remembered Tineciaa Harris, one of the so-called navigators trained to help Mississippians sign up for health care. “And we’d have to explain to them that it’s the same thing.”

Even the law’s vaunted Medicaid expansion, meant to assist those too poor to qualify for subsidized private insurance, was no help after the U.S. Supreme Court ruled that states could opt out. Bryant made it clear Mississippi would not participate, leaving [138,000](#) low-income residents, the majority of whom are black, with no insurance options at all. And while the politics of Obamacare became increasingly toxic, the state’s already financially strapped rural hospitals faced a new crisis from the law’s failure to take hold: They had been banking on newly insured patients to replace the federal support for hospitals serving the uninsured, which was set to taper off as people gained coverage. Now, instead of more people getting more care in Mississippi, in many cases, they would get less.

“We work hard at being last,” said Roy Mitchell, the beleaguered executive director of the Mississippi Health Advocacy Program, when we met in Jackson. “Even a dog knows the difference between being tripped over and being kicked.”

In fact, it’s hard to find a list where Mississippi doesn’t rank last: [Life expectancy](#). [Per capita income](#). [Children’s literacy](#). “Mississippi’s people do not fare well,” wrote Willie Morris, a seventh-generation native son who grew up in Yazoo City, once a bustling trading center perched on the southern edge of the cotton-rich Delta. Today, nearly [half](#) of Yazoo City’s residents live in poverty; its people, like the Delta’s vast swamps, have largely been drained away, along with the farming and factory jobs that used to support them. In a state with a population that is still half rural, signs of impoverishment are everywhere: irrepressible kudzu vines pressing into the glass door of an abandoned building; tipsy wooden shacks that look neglected and forlorn are instead occupied with life. “The Depression, in fact, was not a

noticeable phenomenon in the poorest state in the Union,” Eudora Welty wrote of Mississippi in the 1930s. It remains the poorest state today.

None of which bodes well for health coverage in Mississippi. Small businesses that dominate the economy typically don’t offer health insurance, and Mississippi’s public health program for the poor is one of the most restrictive in the nation. Able-bodied adults without dependent children can’t sign up for Medicaid in Mississippi, no matter how little they earn, and only parents who earn less than 23 percent of the federal poverty level—some [\\$384](#) a month for a family of three—can enroll. As a result, one in four adult Mississippians goes without health coverage. For African-Americans, the numbers are even worse: [One in three](#) adults is uninsured.

It is difficult to untangle the state’s dismal health from its past. For African-Americans, even going to a doctor can be a fraught historical act in Mississippi. There are the practical reasons that come from being poor and uninsured, but there is also a toxic legacy: the Jim Crow laws of living memory that barred blacks from most doctors’ offices, the widespread practice of sterilizing black women as a form of birth control, a practice so common it became known as “Mississippi appendectomies.” Perhaps it’s no surprise then that Mississippians today are [less likely](#) than the rest of the country to seek primary care for chronic conditions and more likely to turn to hospitals when those ailments become more serious and expensive.

Gruesome ends await.

Mississippi has the highest rate of [leg amputations](#) in America and one of the lowest rates of [hemoglobin H1c testing](#), used to monitor and prevent diabetes complications. Amputations on [African-Americans](#) are even more startling: 4.41 per 1,000 Medicare enrollees versus 0.92 for non-blacks. The state also has high [breast cancer](#) death rates, even though it has low breast cancer incidence rates. The cancer often isn’t detected until it’s too late.

Mississippians are all too familiar with the dirge of bleak statistics. During my travels, I often heard, “*We know what the rest of the country thinks of us.*” It would become a point of pride, then, that in 2007, Mississippi actually appeared to be leading a health race it wanted to win. That fall, a full year before Obama’s election to the White House put national health care reform on the agenda, the governor, Haley Barbour, called up the newly elected state insurance commissioner, Mike Chaney, a Vietnam vet from Vicksburg. The two Republicans had been friends since college; Chaney had been the rush chairman for Sigma Alpha Epsilon at Mississippi State University when Barbour pledged the fraternity. Now, the governor had an assignment for his old friend.

“He said, ‘Chaney, I want you to get involved in something that the Heritage Foundation had talked about,’” Chaney, 70, recalled when I spoke to him at his Jackson office in June. Barbour, a folksy titan who had returned to rule over Mississippi politics after a successful career as a Washington superlobbyist and national Republican Party chairman, had enraged advocates for the poor with a series of stringent new restrictions on Medicaid.

Now he was keen to take up the conservative think tank's ideas for how to aid one portion of those without health insurance: "The largest group of the uninsured in Mississippi when I was governor were the employees of small businesses," Barbour told me. He tasked Chaney with laying out how Mississippi could set up an online marketplace where the state's many small businesses could pool their purchasing power to shop for medical coverage.

The idea, at the time, was seen as a conservative one. It was part of the health reform law Republican Governor Mitt Romney had signed in Massachusetts in 2006, and Barbour was touting it as an economic development measure. "I went from not liking it to really falling in love with it," Chaney told me. "You know, like you didn't like the girl in the third grade and you ended up marrying her?"

By 2010, when Congress passed the Affordable Care Act, planning was well underway for a state-based, small-business exchange in Mississippi. "We had no elected officials who were against what we were doing," Chaney insists today.

In early 2011, Barbour wrote a letter to Kathleen Sebelius, Obama's secretary of Health and Human Services, designating Chaney and the Mississippi Insurance Department as the "proper authority" to apply for federal ACA funding to build the exchange. Chaney moved ahead swiftly. Over the summer of 2011, with \$21 million in federal grants, he hired the firm GetInsured.com to build the state's website, christened OneMississippi.com, and set to work preparing it for Obamacare's debut. Blue Cross Blue Shield, which had more than 80 percent of the insurance market in Mississippi, assured Chaney it was in. The Center for Mississippi Health Policy, a nonpartisan research group, [estimated](#) that 1 in 10 nonelderly residents would be eligible to buy coverage through the exchange and that 230,000 low-income Mississippians would be able to receive federal tax credits, totaling \$900 million a year, to purchase insurance on the exchange.

At the end of that summer, OneMississippi.com billboards went up at football stadiums across the state—the town squares of Mississippi social activity. "Your One Stop Health Choice," the ads read, next to a picture of Chaney's smiling face. Chaney anticipated federal regulators would approve the site by the end of the year. The website was ready. Mississippi would get something right for a change.

But the Affordable Care Act had descended on Mississippi like so many prior federal edicts: as an invasion from the North that fractured along racial lines, stoking long-held grievances against the federal government. In June 2012, after the U.S. Supreme Court upheld the law's core principle—requiring most Americans to obtain health coverage or pay a penalty—Mississippi Tea Party co-founder Roy Nicholson issued a florid [order](#) to the ground troops: "To resist by all means that are right in the eyes of God is not rebellion or insurrection, it is patriotic resistance to invasion."

An anti-abortion activist who recently lost a bid for alderman in his hometown east of Jackson, Nicholson had founded the Mississippi Tea Party in 2009 with a fiery [call](#) "to resist the Socialist agenda" of the Obama administration, and the health law became his Exhibit A. (He would

eventually resign as chairman of the group in 2013 after referring to the president as “Hussein Obama” and accusing him of “branding patriots, Christians and veterans as potential domestic terrorists that must be spied on, harassed and vilified.”) Obamacare was a perfect issue for the Tea Party, of a piece with its self-declared mission to scale back the government and slash federal taxes, a call that resonates strongly with Mississippians, who have the lowest per capita income—[\\$33,073](#)—in the nation. (Mississippi conservatives don’t tend to mention that Mississippi [receives](#) \$3 for every \$1 it sends to Washington; nearly half of the state’s annual budget depends on federal disbursements. “If you cut that out, we would cease to be a going concern,” says political scientist Marty Wiseman.)

There is a stark racial disconnect between the Tea Party’s ascendant politics—and its almost exclusively white leadership—and the state’s black voters, who vote overwhelmingly Democratic. Whites dominate Mississippi’s elected elite, despite the fact that Mississippi is home to a higher percentage of African-Americans—[37 percent](#)—than any other state. Black residents are spread among the state’s four congressional districts, diluting their political power; three of the four House members who represent Mississippi are white Republicans. In 2012, Republicans also gained control of both houses of the state legislature for the first time since Reconstruction.

After Barbour’s term ended in January 2012, the state Tea Party had a claim on the governor’s mansion too. The son of a diesel mechanic who was raised in the Delta, Phil Bryant had served as Barbour’s lieutenant governor, but his politics skewed harder right. When he was elected, the state Tea Party group jubilantly declared him the nation’s first Tea Party governor, a label he embraced (though the marriage would be tested later, when Bryant was [considered](#) too close to Republican Senator Thad Cochran in his primary battle against Tea Party challenger Chris McDaniel). In 2012, conservative activists admired Bryant’s uncompromising opposition to illegal immigration, his vows of fiscal austerity and his law enforcement credentials—he had worked as a jailer and deputy sheriff. That he loathed the Affordable Care Act was a given.

Soon after Bryant was sworn in, the Obamacare fuse was lit by the Mississippi Center for Public Policy, a member of a national network of think tanks that [reportedly](#) receives funding from the billionaire Koch brothers. As Mississippi’s plan for a state exchange garnered national press and became something of an embarrassment for the conservative faithful, the think tank’s president, Forest Thigpen, seized the moment to [come out](#) against the idea. The insurrection urged by Tea Party founder Nicholson was on, and those seen as helping to put the law into place were now to be considered traitors.

Mike Chaney didn’t see the ambush coming.

On the morning of July 12, 2012, just weeks after the Supreme Court had upheld the Affordable Care Act’s contentious individual mandate, Chaney was flying to Tupelo in a state plane during a driving rainstorm when his phone rang. It was Thigpen, who was hosting a luncheon in Jackson later that day with the Cato Institute, the libertarian Washington think tank, for some 200 guests, including Chaney. “He said ... ‘I want to know if you want to make some comments,’” Chaney recalls. “And I said, ‘Forest, why would I make comments? This is your meeting.’ ... I said, ‘Let

me call you back. We're trying to land here, and we can't see the runway.'" The pilot missed the touchdown.

When Chaney returned to Jackson, the governor phoned him to say he wouldn't be there. In retrospect, Chaney sees that last-minute schedule change as a warning. "I should have known at that point that I had a problem," Chaney says. (Bryant declined requests for an interview but said in a statement to Politico Magazine that he has "made it a chief priority of his administration" to promote business growth and jobs, including by opposing Obamacare.)

Mississippi Insurance Commissioner Mike Chaney (whose voice is heard off-screen) defended the state's exchange at a Cato Institute lunch in 2012.

Chaney and his aide were the last two people into the ballroom, and Chaney remembers that the doors locked behind them. Bill Stone, chairman of Thigpen's board, led the ballroom in a prayer, "Lord, I thank you for today's free exchange of ideas," he said, according to a video of the event posted on [YouTube](#). "We ask these things in Christ's name."

As forks and knives clinked, Michael Cannon, Cato Institute's health policy director, took to the podium. He insisted that Mississippi abandon its insurance exchange, OneMississippi.com. The federal government "is desperate for Mississippi to do its dirty work," Cannon told the audience, and "will do anything they can to bribe states to create" insurance marketplaces. He then asked the elected officials in the room to raise their hands. "If you took an oath to uphold the U.S. Constitution and you believe this law is unconstitutional," Cannon said, "then, I submit you have a duty to prevent this law from ever taking full effect." The room erupted in applause.

"And at that point, they called me out," Chaney recalled. Boos rumbled through the banquet hall. Caught off-guard, Chaney stood up. "I want to make it clear to you," he told the audience, fuming. "I'm a Republican. I support Romney. If you don't like the exchange, vote in November and replace the man in the White House, and we'll all be happy."

In his office this summer, he lingered over the memory. "They set me up," he said.

Mike Chaney—the former rush chairman at Mississippi State, friend of the powerful Haley Barbour—had been pushed out.

Shortly after the disastrous Cato luncheon, Bryant called and asked Chaney to delay the plans for the exchange.

"I said, 'Phil, I can't do that,'" Chaney recalled. He told the governor the state was contractually obligated to its vendors. The pressure continued: In August, one of the governor's attorneys asked Chaney to withdraw the plan's blueprint from federal consideration. Again, Chaney declined. That same month, a confidant of Chaney's who sat on the state government's Personnel Board called to say Bryant had requested the board delay approval of a \$3.5 million, federally funded ACA outreach contract meant to make residents aware of their coverage options. It would

never be authorized. In a letter to Chaney, Bryant acknowledged the board had blocked the contract. “I simply do not consider it a wise use of taxpayer dollars,” he wrote.

As Barbour’s second in command, Bryant had publicly supported the then-governor’s push for a free-market exchange in Mississippi, but now Bryant wrote to Chaney, “I have never supported exchanges as they will operate under Obamacare,” which “will not be market-based in any significant sense” and would depend on “massive and unaffordable federal subsidies.” In interviews, Barbour also has [insisted](#) his interest in a state exchange came “before President Obama took office and much earlier than Obamacare was enacted” and would have met “the needs of Mississippi, not what is right for Washington.”

Still, Chaney fought on, and in October 2012, a full year before the federal government’s website opened, his OneMississippi.com went live. The site still needed approval from the Center for Consumer Information and Insurance Oversight, the federal body that oversees the health care exchanges, before it could be an official Obamacare-sanctioned marketplace. Chaney’s staff had been in weekly contact with CCIIO’s director, Gary Cohen, to make sure OneMississippi.com would eventually comply.

But after Obama’s 2012 re-election made clear his health law was really headed toward implementation, Bryant decided to fight.

It started with a seemingly bureaucratic formality: A [letter](#) from Chaney to CCIIO’s Cohen, said it was “our intent to implement and operate a State-based Exchange for the citizens of Mississippi that is tailored to the unique needs of our State.” He continued: “As an elected official and the chief officer of the Department of Insurance, I am authorized by state law to submit this Exchange Declaration Letter on behalf of the State of Mississippi.”

Bryant fired off his own [letter](#) to Sebelius, declaring that he was in “complete disagreement” with Chaney. By this time, Chaney and Bryant’s relationship had deteriorated to the point that Chaney had to get a copy of the letter from federal regulators. “I am disappointed with the submission of that letter, and I am exploring my options,” the governor wrote, adding that the health care exchange was a “gateway” for a law he opposed.

CCIIO remained quiet about Mississippi’s application all fall and into early winter. But by January, Chaney had lost his patience with Cohen. “I asked him point-blank, ‘Damn it, Cohen, are you going to approve this or not?’”

He would not. Later that week, Cohen called to say that Sebelius was rejecting Mississippi’s exchange, citing Bryant’s lack of support. “As a practical matter, it wasn’t going to work,” Cohen told me. Chaney’s exchange would have needed cooperation from the state Medicaid agency led by a Bryant appointee, and the governor could easily stymie funding and hiring decisions. “We didn’t feel that we should get involved in a battle between two elected state officials,” Cohen said.

Mississippi, ever the collector of unenviable distinctions, became the only state to have its exchange application rejected by the federal government. On Valentine's Day, after four months of operation, OneMississippi.com went dark.

“It was infuriating to see the governor gut all that work,” said Felicia Brown-Williams, director of public policy at Planned Parenthood in Jackson. “We were so far ahead of the curve.”

The question now became: In an insular state led by a governor committed to thwarting Obamacare, who would dare trying to get Mississippians to sign up for health care sold by the federal government—and on such a tight deadline? It was a short list with a delicate calculus: Those with something to lose didn't want to make the governor look bad by making the ACA look good.

The University of Mississippi Medical Center in Jackson, the state's only academic medical center, raised its hand. Some [220](#) uninsured patients pass through UMMC's doors every day, the hospital estimated, making it the perfect place to catch potential customers for the new federal exchange. Financial counselors who work with the hospital's uninsured patients would become certified as “navigators” to enroll Obamacare shoppers, and the hospital would set up a satellite office at the Jackson Medical Mall, a former shopping center repurposed to offer health services to the poor.

When the grants to lead sign-ups in Mississippi were announced in August 2013, UMMC landed the biggest share—[\\$832,000](#) out of the \$1.1 million the federal government awarded in the state. This was a pittance compared with what Mississippi would have received if it ran its own exchange. Kentucky, for instance, got [\\$252 million](#) in federal grants for its state exchange, marketing and navigators.

Mississippi's only other grant recipient—Oak Hill Baptist Church, an 80-member, black congregation in the town of Hernando, near the Tennessee border—was something of a mystery. A brick bunker designed to withstand the brutal heat, Oak Hill has but two adornments: a wooden steeple and white cross. When I visited this summer, a neighbor next door had posted a hand-painted sign that read, “Reward for identity of chicken coop thieves.” This was the organization entrusted with Obama's most prized domestic legacy, or at least its fate in much of Mississippi.

Chaney, among others, feared neither UMMC nor Oak Hill would be up to the job. “Your navigator program is so horrible, you oughta let me operate it for you,” Chaney told Cohen. “They wouldn't let us do it.” HHS refused to say how it made its two picks, but many believed politics factored into the decision: Politically connected UMMC is the largest single recipient of Medicaid funds in Mississippi, while Oak Hill, though obscure, is home to a charismatic pastor with ties to the White House. (The church had [caught the eye](#) of first lady Michelle Obama in 2009, after the minister, Michael Minor, banned fried chicken in an effort to help parishioners lose weight.)

Much of the work of Oak Hill's navigator operation would come to rest on the shoulders of 67-year-old Minnie Wilkinson. She had no particular passion for insurance and was safely on Medicare now herself, but her pastor needed her and that was enough for her to accept the assignment of leading the church's team. The enormity of the task became apparent as soon as she saw the exam required by the federal government to become a navigator. "You can't make me believe that's a 20-hour test," Wilkinson told me. When she and a friend passed, they danced in celebration.

UMMC and Oak Hill had just six weeks before open enrollment began, on October 1, to train and certify their navigators, open call centers and drop-in locations, print publicity materials, schedule public events and deploy their plans with little more than \$1 million.

Finite money for advertising and outreach and local political hostility meant federal administrators focused, by necessity, on their "return on investment," one longtime Republican health policy staffer in the Senate told me. "In states that decided, for political reasons, to oppose Obamacare, there was the sense, 'So be it. Let 'em go.'"

Insurance companies, too, were chastened. In the wake of Chaney's public humiliation by the governor, Mississippi's dominant insurer, Blue Cross, had pulled out, leaving only Magnolia Health Plan and Humana. And since the companies could choose where they wanted to operate, in 36 of Mississippi's 82 counties, not a single plan would be for sale.

Federal regulators asked Chaney for help to get more counties covered, and though he was still furious about being spurned, he agreed to reach out to Blue Cross and United HealthCare. Both turned him down. Humana said it would consider his request to take just five more counties. A few weeks later, Heidi Margulis, Humana's senior vice president of public affairs, called Chaney with miraculous news. He remembers her saying, "Well, commissioner, we gonna make your day. You ready? We gonna cover all the counties." "Heidi Margulis," he responded. "I don't know you. I don't know what you look like. But if I could crawl through this phone, I'd kiss you."

Still, when the federal website, HealthCare.gov, made its disastrous debut on October 1, just four counties had two insurers competing for business; the rest had only a single choice.

By December 2013, the scope of Mississippi's disaster had a number: A grand total of [802](#) people in the state had signed up for Obamacare. HealthCare.gov's epic technical problems were partly responsible. (As in most states, the bulk of Mississippi's sign-ups would come in the last weeks of open enrollment in March.) But fear of getting on the governor's bad side—and drawing attention from conservative activists—also seemed to be a remarkably effective way to quash the health law. The state's hospital association, for instance, which Bryant had [publicly scolded](#) for "pushing talking points designed to create panic," had backed off its calls to enlarge the public insurance program.

The more significant drag on sign-ups, though, was Mississippi's decision not to expand Medicaid. The state's low standard of living means many people earn less than the federal poverty limit but too much for Medicaid; under the health law, they can't buy insurance on the exchange, leaving 138,000 Mississippians who fall into what has come to be known as the Medicaid gap. For Minnie Wilkinson, it brought a sense of desperation to her church office. She recalls a man who returned there four or five times hoping to get a different answer about his coverage options—his wife had cancer. Surely, there was some help in the law? She could offer little more than prayer. Wilkinson dutifully referred people to a community clinic, where they could pay a sliding-scale fee to see a doctor. But the clinics aren't equipped to treat serious maladies. "It was heartbreaking for us and for them," she said. The Medicaid gap also fueled a negative feedback loop about the law. As Wilkinson describes it, people felt deceived: "They were under the impression that the less money you made, you get insurance for free." It killed momentum even for those who could have bought heavily subsidized coverage on the exchange. Word spread quickly: This Obamacare is a waste of time, and Obama was to blame.

But the administration had few options. And the law was, after all, a federal-state partnership. If the state didn't play, the feds were stuck. "When we were designing the legislation, we were very aware that the states that, in many cases, benefited the most were poor and generally anti-Obama," Bob Kocher, a special assistant to Obama in 2009 and 2010 who helped draft the ACA, told me. But "you needed a state that at a minimum level is cooperative for this to work," he said, which became more difficult after the Supreme Court's Medicaid ruling in 2012. That meant even idealistic liberals had to turn their efforts away from needy states like Mississippi to more receptive regions. "It broke the heart of some folks at HHS," Kocher said. "But I'm not sure they had another choice."

The Medicaid gap hit hospitals hard, too. Without the cash infusion that a Medicaid expansion would have brought, Mississippi hospitals are being strained to a near breaking point, with a number of them shuttering entire departments and laying off staff. Poor people often flocked to the emergency room at Montfort Jones Memorial Hospital in Kosciusko, for instance. The central Mississippi town is best known as Oprah Winfrey's birthplace, but that distinction has done little to change its fate. [Earlier this year](#), the hospital shut down its intensive care unit and laid off 38 employees. Next, the psychiatric unit for seniors closed. One in five people who come to the hospital can't pay their medical bills, and Montfort Jones had relied on supplemental Medicaid payments to defray the costs. But under the health law, federal aid for uncompensated care trails off. Without those payments, and with no softening in the demand for uncompensated care, Montfort Jones had been losing up to \$3 million a year, and couldn't meet payroll.

Tim Alford is a country physician who likes to say rural doctors in Mississippi practice "real medicine." At Montfort's emergency room, across the street from his family medicine practice in Kosciusko, he attends to stroke patients, heart attack victims and, the week I met him in June, an energetic 3-year-old boy who had somehow managed to bite a hole through his tongue. Montfort was one of the original hospitals built under the Hill-Burton Act, a post-World War II, government-financed hospital construction program. The hospital, along with its intensive care unit, was rebuilt just a few years ago into a modern rural gem.

Alford led me down a darkened hallway and pushed open the doors to the ICU. It looked as though the nurses, doctors and janitors had just gotten up and left. Scanning the bay of ghostly patient rooms, Alford said mordantly, “This is a state-of-the-art ICU.” Now, patients with pneumonia, blood clots or infections are sent 70 miles away to Jackson. Nationally, two of the five hospital systems with the largest financial margin declines are located [in Mississippi](#).

During state budget negotiations in the fall of 2013, Bryant [proposed](#) giving the state’s struggling hospitals \$4.4 million to offset their losses. The association’s new chief executive officer, Tim Moore, responded politely to the gesture, but Democrats viewed the earmark as hush money. “I’ve asked the [hospital association] a number of times what they got in exchange for their deciding to become mute on this issue,” state Senator Hob Bryan, the Democratic vice chairman of the health committee, told me. “They said they got a seat at the table. I said, ‘So, in other words, you sold your birthright. You didn’t even get a bowl of porridge. You just get to sit at the table and watch other people eat porridge?’”

Besides, Mississippi couldn’t come close to making hospitals whole. The state was facing eviscerating [cuts](#) in federal subsidies of \$8.7 million in 2015 and 2016; \$26 million in 2017; \$72.3 million in 2018; \$81 million in 2019, and \$57.8 million in 2020, according to the Center for Mississippi Health Policy. Over breakfast one morning in Jackson, Ronnie Musgrove, a Democratic former governor of Mississippi, told me, “It just defies logic.”

The failure of Obamacare in Mississippi has many authors. Political infighting, an overwhelmed federal agency and a surprise decision from the Supreme Court—all of these filled Minnie Wilkinson’s church office, shuttered Tim Alford’s ICU. And there’s no clear way out for the people of Mississippi.

The second year of Obamacare in Mississippi, in fact, will look much like the first: Yes, United Healthcare, the nation’s largest insurer, [will now be selling](#) insurance on HealthCare.gov in nearly every county of the state, and every Mississippi county will now have at least two choices.

Still, tens of thousands of poor working adults will remain in the Medicaid gap. There’s little political movement on that issue to speak of, and Bryant, the governor who remains adamantly opposed to Obamacare, is headed toward reelection in 2015. Nobody, not even the former optimists, thinks Mississippi is on track to get out of its perpetual last place, on health care and most other things.

I kept thinking of my conversation with Roy Mitchell, the embattled head of the Mississippi Health Advocacy Program, this summer. I had asked whether Jackson—or Washington, for that matter—would ever find a way to actually help the sick and the poor in Mississippi. “Ideology put a man on the moon,” he said. “Ideology can certainly kill health care.”

