

LAW OFFICES  
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**PRESS RELEASE  
FOR IMMEDIATE RELEASE  
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**(Copies of the court's 35-page order are available upon request.)**

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**FEDERAL COURT BLOCKS STATE FROM ALLOWING  
PRIVATE INSURANCE COMPANIES ALONE TO DECIDE WHO GETS TENNCARE**

The state cannot rely only on private insurance companies to decide if TennCare applicants are "uninsurable," a U.S. District Court in Nashville ruled this week. TennCare is open to people who are "uninsurable." For years, the state said that applicants must produce a denial letter from a private insurance company to prove that they are uninsurable. The court ordered TennCare to accept other evidence.

Three TennCare applicants brought the case. When Morgan County resident Larnce Hamby applied, he had just been diagnosed as having testicular cancer. When Roane County resident Betty Ooten applied, she was in an intensive care unit at the Roane County Medical Center, following a heart attack. When Campbell Countian Nora Hyslope applied, she had severe diabetes melitis, which had caused an infection in her foot so severe that it was about to be **amputated.**

(more)

TennCare rejected all three applications because they did not have letters from private insurance companies saying they were uninsurable. TennCare refused to accept other evidence of their uninsurability. Later, TennCare found all three plaintiffs to be uninsurable but refused to pay medical costs that they had after their first application.

Oak Ridge attorney Lenny Croce, represented the three TennCare applicants in the case, which was filed in 1998. Croce explained, "Tennesseans who were clearly uninsurable often had trouble getting denial letters from insurance companies. They faced long delays in getting coverage and had to pay for the letter. Private insurance companies alone should not have the right to decide who gets public health care in Tennessee."

Croce called the decision a simple victory for common sense. "Officials at TennCare must be the only people in Tennessee who do not know that you can't get insurance if you are in the hospital with cancer, if you are in an ICU or if you are about to get your foot amputated because of complications from diabetes." He said that not only was it unfair to require insurance denial letters from such people, but they were too sick to get the letters, and lost weeks and months of valuable health coverage. "This ruling not only makes the application process more fair for uninsurable persons," Croce concluded, "it could save lives by making medical treatment available more promptly."

Croce is an attorney with Rural Legal Services of Tennessee, which gives free legal aid to low-income families.

The state has asked the court to reconsider its decision.

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## Commentary

# Working Toilets Should Not Be a 'Maybe' in L.A. Housing

By TAI GLENN  
and JENNY HONTZ

**S**kyrocketing rent and low vacancy rates have created a massive affordable-housing crunch in Los Angeles that is forcing families to settle for

increasingly unsafe and overcrowded living conditions. The crisis has become so severe that whoever wins the mayoral and City Council races Tuesday must make housing a top priority.

California now has the largest gap in the nation between wages and housing costs. Rents in Los Angeles County have jumped 13% in the past year, with the average two-bedroom apartment costing nearly \$1,400 per month. A minimum-wage worker has to work 99 hours a week just to afford a more modest monthly rent of \$800. As rents spiral north, the city's vacancy rate has dropped from 8.1% in 1997 to 3.2% today.

The consequences of this housing shortage are enormous. The number of rental units in Los Angeles with physical problems such as faulty plumbing, heating and electrical systems and upkeep-increased 55% from 1995 to 1999, according to new data from the Census Bureau and the Department of Housing and Urban Development. Los Angeles County fared almost as poorly, with a 52% rise in substandard units.

In the city, more than 67,000 units, a 73% spike, had no heat and were uncomfortably cold for at least 24 hours the previous winter. More than 66,000 units had nonworking toilets, and nearly 30,000 were infested with rats. Altogether, one in six of the city's rental units falls short of housing codes.

More often than not, low-wage workers living in rent-controlled apartments have no choice but to stay where they are, no matter how awful things get. Because landlords know their tenants have nowhere else to go in such a tight housing market, the unscrupulous ones let maintenance languish. The only answer to such intransigence is to inspect apartments often and to enforce laws aggressively.

In 1999, Los Angeles created one of the most comprehensive programs in the nation, the Systematic Code Enforcement Program, to halt slum conditions through widespread inspections of rental units. Yet even when buildings are cited and criminal charges filed, landlords often delay correcting problems for months, sometimes years, with little or no consequences. In order for the program to succeed, the city must provide funding for more inspectors and get tough with lawbreakers. The city attorney should not allow slumlords repeated extensions before hitting them with added financial penalties or throwing them in jail.

While we must hold landlords accountable for bad behavior, we also must increase the supply of affordable housing. Last year, Los Angeles created an affordable housing trust fund, and that is a step in the right direction. But there is no steady and dedicated source of money for the fund. This must change if the program is to put a dent in the slum-housing problem.

The city should provide money for the trust fund through linkage

fees on nonresidential commercial development. New commercial development increases the demand for homes and apartments. Commercial developers already pay fees or provide facilities to offset their impact on parking, traffic and sewage. It makes sense to factor in the effects on housing.

Los Angeles also should adopt an inclusionary zoning ordinance that would require residential developers to set aside a percentage of their new projects for homes affordable to lower-income people. These homes should be spread throughout the city. Residents who take a "not in my backyard" attitude toward affordable homes need to realize that decent housing is out of reach for the very people they depend on to care for and teach their children, clean their offices and fix their cars.

The housing crisis in Los Angeles is staggering, but it can be tackled if our city's new leaders assert enough political will.

*Tai Glenn is a housing attorney with the Legal Aid Foundation of Los Angeles. Jenny Hontz as a journalist in Los Angeles.*

