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2. Disability Benefits and "Back to Work"

ETHA & TAEP Participation

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The Voice of TII CANN

Newsletter for Ryan White funded

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FAAP (Federal AIDS Policy Partnership)

RWCA Reauthorization Work Group

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Medicaid/Medicare Work Group

ABAC (AIDS Budget & Appropriations Coalition)

HAP (Hepatitis Appropriations Partnership)

HCAP (Hepatitis C Appropriations Partnership)

The National ADAP Working Group

The FDA Alliance

CCD (Consortium for Citizens with Disabilities)

ATAC (AIDS Treatment Advocacy Coalition)

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(6//06)

Medicaid Watch: State Medicaid and Health Cuts & Expansions

By Thomas P. McCormack [draft # 10, May 1, 2007; please discard any earlier version]

See pp. 12-13 for data & resources to deal with state health cuts.

Deficit Reduction Act (DRA) state Medicaid plan changes raising cost-sharing & cutting benefits were made by ID, KY & WV and are sought by GA, IN, NE, NV, OK, RI, SC, TX & WY; and FL & VT got HIFA waivers.

States are considering cutting or expanding coverage in AR, CA, CO, CT, GA, ID, IL, IN, IA, KS, LA, MD, MI, MT, NE, NV, NH, NJ, NM, NY, NC, OH, OK, PA, RI, SC, TX, UT, VA, WA, WI & WY--but almost all state expansions exclude aged & disabled & most un- & under-insured adults.

Coverage expanded in CO, DE, DC, HI, IA, IL, KS, LA, MD, ME, MA, MN, MT, NM, NC, NV, NJ, NY, OK, PA, TN, TX, UT, VT, VA, WA & WY.

Many states are considering provider fee increases (or are being urged or forced to by courts) for doctors', dentists', children's & EPSDT services.

States have strict monthly numerical limits on Medicaid Rx's--in AL, AR, GA, KY, MS, OK, SC, TX & WV; but LA, NC & TN eased their Rx limits.

ADAP "waiting lists" and other care-limiting economies are in effect in 11 or more states and at least 4 HIV patients died while on a waiting list in 2006.

State Pharmaceutical Assistance Programs (SPAPs) in AK, HI, IL, IN, MD, MO, MT, NC, NY, PA, RI, SC & WI still don't fully cover all the disabled.

Alabama---Has no spend down; covers only 12 doctor visits & hospital days yearly and 4 brand name Rx's monthly (but unlimited generics); and adopted ADAP cost containments. But it again accepts SCHIP applications & plans to raise doctor fees. The risk pool offers no low income premium discount & no Medicare supplement.

Alaska---this Title XVI state has no spend down; froze its nursing home income level; cut the CHIP level from 200% to 175% (1,200 families lost children's coverage); tightened home care medical qualification rules; has a risk pool with a Medicare supplement but no low income premium discount; created a SPAP that excludes the disabled; and added some adult dental coverage.. There's an ADAP waiting list. A legislative study suggests segregationally shifting Natives' Medicaid services & funding onto IHS/tribal plans, paying their added costs with a waiver for a 100% federal match.

Arizona---has no spend down & no risk pool, yet covers all families under 200%, but only 100% for uninsured childless (and even non-disabled) adults. The legislature (R) raised parental premiums. Gov. Napolitano (D) called for increased SCHIP enrollment, while the GOP House voted to weaken health insurance minimum benefits mandates. The state-subsidized Healthcare Group of AZ, which offers insurance to the self-employed & those in firms under 5, has a \$23 million deficit & seeks at least \$8 million more in state funds.

Arkansas--- fees are too low to attract enough providers. A HIFA waiver funds barebones, subsidized insurance for workers under 200% (open also to "richer" families @ \$100/mo).

The Ryan White CARE Act, Title II, Community AIDS National Network, Inc.

A 501(c)(3) Policy & Program Information Exchange & Support Organization for AIDS/HIV Education, Advocacy, Support & Action.

The state raised children's dental fees to 95% of Delta Dental's rates; plans to fund most adult dental care; and has a risk pool with no low income premium discount & no Medicare supplement. Gov. Beebe & the legislature (both D) aim for more home-based & HCB care over nursing homes and more coverage expansion.

California---tightened eligibility took 200,000 parents off the rolls since 2004; the risk pool offers no low income premium discount & no Medicare supplement; and a non-profit provider is suing the state to force it to carry out a so-far ignored 2002 law offering MediCal to "pre-disabled" HIV+ persons. Gov. Schwarzenegger (R) is forcing the aged & disabled into HMOs, made 5% doctor fee cuts & stopped paying extra Medicare HMO premiums for dual eligibles. He will award federal waiver funds to counties--\$228 million over 3 years just in the Bay Area—to serve & cover the uninsured; spend \$50 million more to expand CHIP; start 500 clinics in low income schools; ban balance billing for ER visits; require Rx discounts for the modest income uninsured; and seeks continuance of federal matching for birth control & health screening for all (even undocumented) women under 200%. His health reform plan would cover all uninsured children (even illegals) under 300%, extend MediCal to all (even childless, non-disabled) adults under 100% and subsidize insurance for others under 250% (but illegal alien adults' care will stay county-funded), using DSH funds, Medicaid matching and new "fees" on doctors (2%) & hospitals (4%)—but not raise the aged/disabled income level up to the new 250% overall subsidy level (it's now 135%). Hospitals, doctors & GOP legislators oppose its "fees" as unfair taxes. See <http://gov.ca.gov/index.php?/press-release/5057/> & http://gov.ca.gov/pdf/press/Governors_HC_Proposal.pdf and also www.health-access.org (under "health expansions", which analyses Senate & House plans too). The Governor's health reform board aims to end mandated HMO coverage of contraception, mental health care & cancer screening.

Colorado---has no spend down; a court voided a law to deny benefits to legal aliens & once-blocked CHIP applications are again accepted. Referendum-voted cigarette taxes raised the CHIP level from 185% to 200% (covering 4,000 more children), opened 600 more HCB and/or Katie Beckett waiver slots, boosted funding for low income clinics & raised the parents' income level. The state is shifting children into HMOs. Denver's Medical Center & the Univ. of Col. Hospital cut their indigent care & raised their co-pays; and the state's Indigent Care plan for the non-Medicaid poor (e.g., the childless poor awaiting SSA disability decisions), raised its co-pays: \$10 per Rx, \$35 per doctor visit, \$270 (!) per hospital stay & \$15 to \$45 per ER visit. The state cut fees to an HMO & so underpaid a La Plata primary clinic (causing the latter to close) that they then dumped 65,000 & 10,000 patients into fee-for-service Medicaid; but raised its risk pool (which still has no Medicare supplement) funding to even further discount premiums for low income patients; set up a board to study coverage expansion; and ordered the Medicaid agency to adopt a consumer-run board's care plans for the disabled. Gov. Ritter, bypassing the legislature (both D), will adopt a formulary & join a multi-state drug buyers' alliance with advice from a consumer & provider board; but signed a bill creating a drug discount plan for the uninsured under 300% and may support Democratic legislators' bill for a state pool to ease small employer groups' access to health insurance.

Commonwealth of the Northern Marianas—federal law caps this US territory's Medicaid matching rate below what states get—and the Commonwealth hasn't even been able to fully fund its own match portion of Medicaid--so its fees are too low to attract enough providers. It did enroll off-island providers (e.g., for specialty care, etc.) by agreeing to pay them rates equal to Hawaii Medicaid's, but its own largest hospital has a \$32 million deficit due to low Medicaid payments.

Connecticut—a 209(b) state; its risk pool has a low income premium discount but no Medicare supplement. Gov. Rell (R) added doctor co-pays of \$1 to \$3; upped SPAP premiums to \$30 & its co-pays to \$16.25; imposed a \$100,000 SPAP asset test; required recoveries of SPAP costs from the deceased's estates; dropped legal aliens from TANF, Medicaid, CHIP & SAGA (state welfare & medical programs); forced SAGA patients into HMOs; and ended coverage of adult chiropractor, naturopath, psychologist and occupational, physical & speech therapy services. The legislature (D) raised the parents' level back up to 150% is raising most pediatric dental fees to 70% of private insurers' rates for 2007; and offered Medicaid to the working disabled & "recovered/ex-disabled". Rell proposed case management for chronic patients; an expanded SCHIP; requiring parents to insure children; and subsidized barebones insurance for poor uninsured adults. Democratic legislators—dropping a single payer plan costing \$17 billion+-- may raise the Medicaid level for all (even childless & non-disabled) adults to 185%; cover more children; give more funds to low income & public health clinics; raise hospital & individual provider fees to the Medicare rate; and make HMOs with state patients reveal cost & rate data.

Delaware---has no spend down or risk pool; but it covers all adults (even if not parents or disabled) under 100%, yet caps yearly SPAP benefits. Gov. Minner (D) & the split legislature (D Senate, R House) created a Cancer Treatment Program for the uninsured not on Medicare under 650% (!) & a state indigent health program for the uninsured under 200%; raised the health budget; and boosted provider fees to 65% of private insurance rates. **Both parties favor Minner's proposal to cover the working disabled, but the GOP House leadership opposes funding it with a 45 cent tobacco tax increase.**

District of Columbia---has no risk pool but a DC-funded Health Alliance covers all the uninsured under 200% except Medicare, Medicaid & SCHIP eligibles; Medicaid levels are 200% for parents but only 100% for the childless aged & disabled; and the SCHIP level was just raised to 300%. A \$240 million health access plan backed by Mayor Fenty (D) boosts preventive health & cancer screening; anti-smoking, ER & ambulance services; and upgrades, expands & adds primary clinics. DC also increased its home health & personal care aides' pay; is hiring 75 parents as preventive health counselors for school pupils; added coverage of adult dental care; raised all its dental fees; will also subsidize indigent dental care at Howard U. Dental School & low income clinics; **raised its aged/disabled full Medicaid liquid asset levels by \$2,000**; and increased its QMB & SLMB income levels to 300% FPL --which not only made many more Medicare patients eligible for DC to pay their Part A & B premiums & cost-sharing: It thereby also made them eligible for Part D's full Extra Help. Yet the 2007 budget is short \$87 million--mostly due to neglected eligibility workups (and thus unclaimed federal matching) for CMI, MR & DD clients; and this deficit is expected to rise to \$300 million by the end of 2008.

Florida---former Gov. Bush & the legislature (both R) outsourced Medicaid, welfare & food stamp eligibility; failed to adequately fund the risk pool (it's closed to new patients, but it nominally has a Medicare supplement but no low income premium discount); and got a waiver to privatize Medicaid & convert it, with premium support & health savings accounts (HSAs), into a "defined contribution" HMO-type plan. The state cut the aged/disabled level from \$719 to \$603 (77,000 lost coverage) & abolished its SPAP 1/1/06. A "fail first" rule allows costly mental health drugs only if cheaper ones don't work (with Lamictal, Paxil, Wellbutrin, Lexapro, Zoloft & Zyprexa exempted). The state again covers adult dentures & hearing aids and takes SCHIP applications year-round. Provider & advocacy groups are suing to raise low children's care fees. Gov. Crist (R) **proposes streamlining children's access & eligibility (at a cost of \$18 to \$50 million). The legislature voted big cuts in hospital & HCB waiver funding, but the House voted to cover even illegal alien children if poor enough.**

Georgia---has no risk pool. It ended CHIP coverage of dental surgery & other care; cut the Medicaid & WIC levels for pregnant women & infants from 235% to 200%; raised CHIP premiums; ended adult coverage of emergency dental care & artificial limbs; is moving non-Medicare patients into HMOs; ended spend downs for nursing home care (but use of certain trusts can still gain or retain eligibility for some); capped HCB care costs; and tightened medical criteria for Katie Beckett waivers (shifting some costs to a foundation). **Gov. Perdue & the legislature (both R) plan to cut nursing home access, raise co-pays & add more managed care & health savings accounts to Medicaid**; but offer the aged & disabled disease management services. The state ended 90 day coverage suspensions for children delinquent in payment of CHIP premiums; **but a state board voted to bar new CHIP applications due to uncertain federal funding (Perdue proposed using Medicaid funds for existing CHIP patients while awaiting more federal funds).** The rolls fell 60,000 in 2006 due to more eligibility red tape. **The House voted to cut the CHIP level from 235% to 200% & charge extra premiums for dental & vision care; but the Senate voted to keep the 235% level, raise Medicaid's level for all children to 125%, slightly raise CHIP premiums; cover routine dental care & charge a small fee for extra dental coverage. The state lost a CD with the names, DOBs & SSNs of its Medicaid & CHIP patients. The state will get \$1.5 million less in federal ADAP funds, which will require at least that much more in state funds to sustain current services & prevent a waiting list or other care limits.**

Guam---this & all other US territories' Medicaid matching funds are capped by law far below what states get. The local medically indigent plan pays less than Medicaid & attracts fewer providers. Managed care firms are seeking contracts that they say can save enough to pay providers more. Funds for off-island specialty care, and air transport to it, are exhausted.

Hawaii---a 209(b) state with no risk pool; a waiver covers parents & all uninsured adults not on Medicare under 200%, (but the childless aged & disabled must be under only 100%). The state makes employers offer health coverage to

employees & dependents and created a token SPAP for aged *and disabled* patients, but with a mere 100% income level. Gov. Lingle (R) & the legislature (D) raised the child & parent level to 250% (covering 29,000 more), lowered CHIP premiums, restored some adult dental care through Medicaid & other programs and expanded substance abuse care.

Idaho---a Title XVI state, with *no* spend down & *no* risk pool. Former Gov. Kempthorne & the legislature (both R) raised the CHIP level from 150% to 185% (with less benefits & more co-pays for the added patients); funded a pilot **barebones** health plan for 1,000 adults; covered the working disabled; cut state funds for medical care for the temporarily disabled & those awaiting SSA disability decisions; ended mandates for health insurance coverage of breast & prostate cancer screening & mental health; and got CMS approval to set up 3 patient classes: Parents & children (with a \$13 million lower yearly budget, more cost-sharing & coverage cuts); the disabled & chronically ill; and the aged. The 1st group (then later the others) will face more cost-sharing, with differing & lesser benefits for each, and more preventive care & incentives.

Illinois---this 209(b) state's main SPAP (funded as a Medicaid Pharmacy Plus waiver) *excludes* the disabled, who get only a limited formulary from a 2nd, SPAP. Gov. Blagojevich & the legislature (both D) added HIV drugs to the 2nd SPAP's formulary (but only for Medicare patients); **liberalized SPAP income levels**; raised the parents' level to 185%; agreed to a court order to raise children's doctor & EPSDT fees; offered subsidized insurance to veterans left uncovered by VA cuts; raised the CHIP level; and plan to offer a PCCM plan, **let *anyone* under 300% buy-in to Medicaid and further raise low (and too tardily paid) provider fees**. The risk pool, closed to new patients, *has* a Medicare supplement but *no* low income premium discount. **Blagojevich proposed again raising the parent level (to 200%; but leaving it at only 100% for childless aged, disabled & other adults); mandated insurance for residents & employers, premium subsidies for those under 400% & tax incentives for small firms**--costing the state \$3.5 (and employers \$1.5) billion. HMO enrollment remains voluntary. **Cook Co.'s hospital system, serving metro Chicago's poor, has a \$150 million deficit forcing service cuts, facility closures & denial of free indigent care to suburban residents**--caused partly by not billing & collecting for \$250 million in services.

Indiana---this 209(b) state's SPAP still *excludes the disabled*; and, despite court suits, **it still has a much-stricter-than-SSI "209(b)" Medicaid disability rule (one must be *fatally* or *incurably* ill)**. Gov. Daniels (R) & the then all-GOP legislature doubled CHIP premiums & cut the HCB waiver budget \$14 million; yet let Medicare patients enroll in the risk pool (which has *no* low income premium discount) for secondary coverage & added 500 more HCB waiver slots. **The state had to adopt ADAP cost containments**; and the ACLU sued challenging an only-once-every-6-years limit on dentures & relinings. Daniels' \$1 billion food stamp, welfare & Medicaid eligibility privatization contract (that could shrink state welfare jobs by 2,500) was limited to one year only by the new House's (now D) budget--**which, he says, also fails to adequately fund Medicaid growth**. The state tightened its lax spend down (but a court order made it reinstate 12,606 aged & disabled dropped with no hearing rights); and funded service plans for 650 more disabled clients (**although 15,000 are still on a HCB waiver waiting list**). Doctors opposed the state's enrolling patients in HMOs that pay *even less* than Medicaid itself, so the state agreed to raise their fees. **The Senate passed Daniels' plan--using Medicaid funds, via a HIFA waiver and/or a DRA plan change--to subsidize insurance for *all* (even childless & non-disabled) uninsured adults under 200% if *not* on Medicare. Governor (R), House (D) & Senate (R) differ on funding approaches: a 25-to-35-cent per pack cigarette tax boost--a version of which the House already rejected--vs. that & a hospital bed tax too. The plan relies on HMOs, health savings accounts (HSAs) & preventive care. Applicants *must* deposit 2% to 3% of income into HSAs; and they must make a **higher 5% deposit to get add-on dental & vision coverage--which will have 50% (!) coinsurance**.**

Iowa---a waiver gives **watered-down** Medicaid to 30,000 uninsured adults--even if childless or non-disabled--who are under 200% for care at 2 public hospitals (but with Rx's available *only* at their in-house indigent pharmacies). The risk pool has *no* low income premium discount & *no* Medicare supplement; but added state funds & Part D's advent ended an ADAP waiting list. The old legislature (R) sought to cut Medicaid, but **Gov. Culver & the new legislature (all D) favor a \$1/pack cigarette tax hike to cover 20,000 more children & 9,000 parents; higher Medicaid levels; and more insurance subsidies for more of the working poor--yet the House majority (D) killed a GOP amendment to raise provider fees 3%**.

Kansas---a Title XVI state. The GOP legislature passed a health savings accounts (HSAs) incentives bill; abolished the SPAP; called for more anti-fraud efforts; but raised provider fees to 65% to 83% of Medicare's rates. Blue Cross & a

foundation subsidize insurance for Kansas City-area families under \$30,000. The risk pool has no low income premium discount & no Medicare supplement; but the state covers the working disabled, “pre-disabled” (only if they’re in the risk pool & severely impaired) & “ex- disabled”. A questioned \$146 million in past Medicaid matching is to be settled by a \$90 million state refund to CMS, half this fiscal year & half next. Gov. Sibelius’ (D) plan to expand coverage for children under 5 failed in the House, but both houses voted to subsidize insurance for poor parents—by 2009 for those under 50% & by 2012 for those under 100%; to fund a high risk health insurance plan; and authorize coverage expansion studies.

Kentucky--- Gov. Fletcher (R) & the split legislature raised Rx co-pays to \$1 to \$3; but dropped earlier-tightened nursing home & HCB care medical qualification rules; raised the cigarette tax by 30 cents-a-pack (with another 10-cents under study); reinstated 2,500 dropped CMI clients; and ended an ADAP waiting list. CMS approved plan changes for: limits of 4-Rx’s-a-month, 15 occupational /physical/speech therapy visits-a-year & 12 x-rays/ MRIs-a-year, \$2 to \$10 doctor visit co-pays, \$2 to \$20 co-pays for other O/P care, \$10 to \$20 co-pays for unneeded ER visits, a \$20 to \$50 co-pay per hospital stay ; annual cost-sharing caps of \$225/\$350 per family (but non-Louisville-area patients will have a \$450 cap); and co-pays of \$3 per generic, \$10 for “preferred” & \$22 for “non-preferred” brand name Rx’s for spend downers. There’ll be 4 Medicaid groups: “healthy” adults; children; the aged & disabled (including LTC & HCB patients); and MR & DD patients--each with its own benefits & different, but higher, cost-sharing: See <http://www.kff.org/7530.cfm> for details. The state settled a lawsuit by starting to move 2,500 disabled into HCB care; and raised children’s dental rates by 30%; but its risk pool has no low income premium discounts and no Medicare supplement.

Louisiana---cut allowed Rx’s to 8 monthly (over-ride-able by doctors) and its Charity Hospital & school health services, adopted a formulary; **may have to adopt ADAP cost-containments**; and its risk pool has no low income discounts & no Medicare supplement. Hurricanes cut state revenues \$1 to \$3 billion+ and forced a 10% cut in doctor fees. A healthcare board is planning a Medicaid “re-design”; and seeks federal funds to restore healthcare. **But CMS instead is offering only minimal funding--with even that contingent on privatizing the Charity Hospitals (pro-business interests want to close all but the 3 of them used to service medical schools, although one group also favors subsidized private health insurance for 300,000 persons under 200%)**. Gov. Blanco & the legislature (both D) offered Medicaid to the working disabled & mentally ill “pre-disabled”; **she proposed expanding eligibility for children & the disabled in her \$6 billion+ Medicaid budget; and she planned streamlined re-enrollment for 67,000 children whose coverage lapsed during & after Katrina.**

Maine---Gov. Balducci & the legislature (both D) subsidize “Dirigo” insurance for those under 300% (**yet unaffordable for the poorest & under-funded**); raised the Medicaid level for all adults to 125% (except new childless, non-disabled, non-aged applicants) & for parents to 200%; plan coverage of the working disabled; give limited waiver coverage to HIV+ (even “pre-d8sabled”) persons under 250%; and are reducing backlogged provider payments. But the state has no risk pool. **The Medicaid agency proposed a \$74 million budget cut---to be met by projected savings from “cost controls” & “standardization” of mental health fees**; and more use of preventive care & chronic case management. **Baldacci proposed that Medicaid patients get primary doctors; raising some Rx co-pays; an insurance mandate on those over 400%; an employer “play or pay” rule; reforming Dirigo’s hospital funding; and creating state risk pool & reinsurance plans.**

Maryland---the state supreme court upheld an order voiding former Gov. Ehrlich’s (R) dropping coverage for legal immigrants here less than 5 years under the state s equal protection clause; but he did close CHIP to new patients with incomes over 200% & raised its premiums. An AARP/Legal Aid suit says the state’s HCB waiver medical admission rules are too strict. The higher income SPAP excludes the disabled & now merely subsidizes Pt. D premiums; while the lower income SPAP was merged with a state clinic care program into a waiver for all adults (even childless & non-disabled) under 116% not on Medicare. Despite a recent dental fee raise, specialist & dentist rates are still too low (one child with access barriers even died when an untreated tooth infection spread to his brain). The state has a risk pool with low income premium discounts but no Medicare supplement; and it gives Medicaid to the working disabled. But in 2005 a state insurance board let small firm health plans covering 450,000 persons drop meaningful Rx coverage. A tax on firms spending under 8% of revenue on insurance was voided by a federal court & an appeal to the 4th Circuit failed. **The House (D) voted to raise the CHIP level to 300% & that for all adults to 116%; but Gov. O’Malley & the Senate (both also D) opposed that & wanted only a higher CHIP level & modest insurance reforms. So no bill passed; nor did the state bail out**

Prince Georges Co. Hospital in the state's 2nd largest locality--which needs \$329 million to recapitalize & meet deficits, with 50% of its patients uninsured & getting free indigent care--so the County found funds to prop it up for 15 months.

Massachusetts---has no risk pool. Former Gov. Romney (R) restored dental care for women who are pregnant or have children under 3---but called for tougher work rules even for disabled welfare clients awaiting SSA decisions; limited state "Free Care" patients to low income clinics; and imposed \$3 clinic & generic drug and \$5 ER & brand name drug co-pays on them. Yet he signed the legislature's (D) bill to expand Medicaid; require all residents to be insured (which business & insurance industry groups now want to postpone 18 months); subsidize small employers & workers under 300% (e.g., adults will pay \$18-\$106 of a \$175-\$380/mo premium); raise the CHIP level to 300%; restore all adult dental & eyeglass benefits; and raise the parent level to 200%. **But it fails to raise Medicaid's childless aged (100%) & disabled (133%) levels to equal the new 200% parental level.** Some doubt its fiscal stability (see www.healthreformprogram.org for critiques & details). CMS approved expansions & continuances of waivers to cover HIV+ (including the "pre-disabled") & childless, non-disabled patients; and for DSH funds use. Gov. Patrick (D) seeks \$72 million for public health, preventive care & immunizations; and **the state later increased premium subsidies for limited income persons.**

Michigan---has no risk pool. It ended most adult dental, hearing aid, podiatry & chiropractic care and stopped enrolling childless non-disabled adults under 100% into its outpatient care-only waiver. The then-all-GOP legislature passed bills with higher cost-sharing. Gov. Granholm (D) then compromised to protect most current patients; adopt some cost-sharing; impose some stricter eligibility rules for some new patients only; abolish the SPAP; and even require Orwellian patient urine tests for smoking & sugary/fatty diets (with \$10 penalty premiums). But she restored adult dental care; raised children's dental fees to private-pay levels and child wellness & adult preventive care rates 30%; and **asked CMS for \$600 million more in waiver funds to subsidize insurance for the working poor & small firm employees under 200%.** Wayne Co.(Detroit) began enrolling 100,000 new Medicaid & CHIP patients and Genesee Co.(Flint) voted to subsidize coverage for uninsured workers & families under 200%--which Ingram (Lansing), Muskegon & Wayne Counties already do. A court voided a law to let providers force patients to make co-pays. The Senate (still R; the House is now D) **voted to raise cost-sharing still higher & strictly enforce treatment of obesity, smoking and high cholesterol & blood pressure; the House rejected the Senate cost-sharing bill, but voted to cut provider fees by 6%, or \$34 million (cuts Granholm threatened to actually make unless the Senate finds funds and/or votes more taxes).** **The state had to take ADAP cost containment steps.**

Minnesota---this 209(b) state has a risk pool with low income premium discounts and a Medicare supplement; it raised premiums & co-pays for Medicaid, CHIP & MinnesotaCare (state-subsidized insurance), cut the latter's income levels and denied Medicaid & CHIP to 30,000 legal aliens. Then Gov. Pawlenty (R), the House (then R) & the Senate (then & now D) raised tobacco taxes to restore previous cuts; but **the state's ADAP proposed to drop patients who don't make its co-pays** and the SPAP was abolished 1/1/06. Yet Pawlenty funded a \$2 million Rx discount plan for uninsured & Part D donut hole patients; \$4.5 million more for the state SHIP; and Medicaid for the working disabled, "recovered/ex-disabled" & some diagnoses of the "pre-disabled". **He proposed to expand SCHIP by 90,000 & MinnesotaCare by 23,000, create a 2nd barebones version of MinnesotaCare; and raise LTC fees by \$92 million & the mental health budget by \$20 million,** The House (now D too) countered with a \$10.2 billion plan for "universal" coverage by 2010; Atty. Gen. Swanson (D) & state hospitals agreed to extend & widen a plan to limit charges & collection tactics for patient-paid bills; and a legislative audit said up to a third of Medicaid & MinnesotaCare cases included ineligible persons and/or had cost-sharing errors. Defying a federal proposal to cut Rx dispensing fees, a state advisory board asked the legislature to triple them to \$10.

Mississippi---has no spend down; its risk pool has no low income premium discounts & just stopped offering a Medicare supplement. Gov. Barbour (R) cut the aged/disabled level from \$1,000+ to \$603 on 1/1/06 & slashed CHIP eligibility (65,000 aged & disabled & 2,500 children were dropped); reduced covered brand name drugs to 2 monthly plus 3 generics (but HIV patients get 5 brand names & there's a suit challenging the limits); and cut physical, speech & occupational therapy. CMS forbade further use of a dubious state funding scheme, forcing him to seek \$90 million more for Medicaid from the legislature (D) after his hospital tax plans fizzled. New annual in-person re-application rules forced 11,000 more adults & 4,000 children off the rolls; **but a legislative committee plans public hearings on eligibility & access problems.**

Missouri---a 209(b) state; its risk pool has no Medicare supplement & no low income premium discount (but the House did vote to cut its premiums 20%). In 2005 Gov. Blunt & the legislature (both R) cut the aged/disabled income level from 100% to 85%; ended state medical aid & welfare for those awaiting SSA disability decisions; dropped coverage of the working disabled; cut the parents' level to 23% from 75% (a Senate amendment to restore it to 63% just failed); ended adult dental, podiatry, hearing aid, appliance & eyeglass benefits (but a federal court voided the denial of durable medical equipment); enacted new & bigger Medicaid co-pays; raised CHIP premiums; made 46,000 more children pay them; denied CHIP to those with "affordable" work coverage, even if it's really too costly (20,000 lost CHIP; but then the state exempted those whose job plans cost over 5% of income); and tightened medical rules for nursing home, HCB & home health care. Yet CHIP co-pays were ended; doctor & nursing homes rates were raised; and the SPAP was expanded to cover the disabled (after their 2 year Medicare waits). Blue Cross & a foundation subsidize insurance for Kansas City-area families under \$30,000. The state restored eyeglass & wheelchair supplies coverage. A 2006 referendum to restore the Medicaid cuts & raise the income level to 200% narrowly failed to pass. In 2007 Blunt called Medicaid an "outdated relic"; cut off funds for Planned Parenthood's women's cancer screenings (because it uses private funds for abortions); and proposed hiring MDs, RNs & lay workers as health case managers; **getting 5,000+ patients (even the disabled) to sign "independence" contracts" to find jobs & give up Medicaid; insurance subsidies for the working poor in small firms (which he then weakened at business groups' behest); higher co-pays; use of "premium support" to merely buy patients available private coverage (e.g., a sub-par employer plan with unaffordable cost-sharing) instead of letting Medicaid be & remain their wraparound, secondary payer; benefits for foster children to age 21; higher doctor fees (but only if their care meets state efficiency goals); restoring hospice care; using assigned primary doctors & more managed care; preventive care; and dental, vision & other extra care "rewards" for the "compliant". Both parties' token working disabled Medicaid restoration bills exclude most SSDI & VA recipients; but the Senate voted to offer birth control & health screenings to all women over 18 under 175%. See critiques at www.mobudget.org and in "Using Blunt Force.." at www.familiesusa.org.**

Montana---its risk pool offers both low income premium discounts and a Medicare supplement. Former Gov. Martz (R) raised cost-sharing, restricted nursing home access, cut aged & disabled doctor visits to 10 yearly and reduced hospice & home health care. But Gov. Schweitzer (D) and the split legislature ended the CHIP waiting list; covered 10,000 more children; funded pools to help small firms insure workers (which he wants to expand further); seek a waiver to give Medicaid to 3,000 more adults; raised Medicaid's family asset level (to stretch funds to cover more children); and created a SPAP for Medicare patients under 200%. The legislature is considering raising the CHIP level from 150% to 200%; expanding CHIP dental & preventive care; and requiring private plans to cover immunizations & well-child care to age 7. Schweitzer signed a law making insurers let children stay covered dependents until age 25. There's an ADAP waiting list.

Nebraska---a Title XVI state; its risk pool has no Medicare supplement & no low income premium discount. The state dropped 15,000 welfare-to-work parents (a court order voiding/delaying much of the cut survived appeal); but it pays Pt. D co-pays for dual eligibles in HCB waivers and board & care homes. A health study board seeks to save \$72 million yearly by making Medicaid a "defined contribution" plan & fostering assisted living & HCB care over nursing homes.

Nevada---a Title XVI state with no spend down & no risk pool. Gov. Gunn (R) & the split legislature raised taxes \$1 billion for Medicaid; covered the working disabled; upped the pregnant women's level to 185%; raised the SPAP income level & covered the disabled (even during the 2 year wait) in it; will use DSH & SCHIP funds, a HIFA waiver & a CMS risk pool grant, for **barebones insurance of small firm workers & families (with employers to pay 50% of—and workers to get a \$100/mo subsidy for--premiums);** added some adult dental & vision care; boosted state ADAP funding; raised CHIP premiums; rejected adding co-pays to Medicaid; and set up a board to study reforms. **But the health agency's \$28 million proposal to raise Medicaid/CHIP doctor & dentist rates by at least 24% is threatened by a \$50 million sales tax shortfall.**

New Hampshire---a 209(b) state with a risk pool that has no Medicare supplement & no low income premium discount. Gov. Lynch (D) expanded SCHIP; added state funds to ADAP; signed a tobacco tax increase for health care; called for a \$2 million boost in home care rates & expanding home-based care over nursing homes; proposed funding more SCHIP enrollment; and plans better case/disease management. **But the state still has a stricter-than-SSI "209(b)" Medicaid disability rule (inability to work for at least 4 years);** it is enrolling all non-aged patients into managed care; and, despite

a 65% fee increase funded by the legislature (now D), children's dental rates are still too low to attract enough providers. A legislative panel blocked the Medicaid agency's attempt to cut hospital rates (which it says exceed federal ceilings).

New Jersey---has no risk pool & it privatized eligibility determinations for SCHIP & Medicaid. But the parents' level is moving back up toward 133% (to cover 80,000 more); a waiver will cover *all* (even childless & *non*-disabled) adults under 100%; and HCB care is being promoted over nursing homes. Gov. Corzine & the legislature (both D) plan a health coverage expansion like MA (costing \$1.7 billion the 1st year). There's a \$50 million state SCHIP deficit; the Governor's budget calls for \$2 Rx, \$3 hospital O/P & \$6 ER co-pays (with \$10 & \$12 yearly co-pay caps) ; an Assembly panel criticized the health agency's denial of Rx provider contracts to some pharmacies (to prevent fraud & abuse); one audit questioned \$52 million in school health spending; and a 2nd audit suggested that a state-sponsored, hospital-run indigent charity care fund loses millions to patient fraud & abuse and failure to follow up on insurance entitlements & tort awards.

New Mexico---has no spend down, but has a risk pool *with* a Medicare supplement *and* low income premium discounts; its *barebones* Medicaid waiver-funded insurance for adults under 200% *excludes Medicare patients*. Gov. Richardson & the legislature (both D) dropped some service cut & cost-sharing proposals; changed eligibility re-certifications to once instead of twice yearly; raised some income levels to 235% (covering 7,800 more children & 1,200 more pregnant women); and chose a task force to plan coverage expansions---including raising the Medicaid waiver level to 300% to cover more modest income workers and giving Medicaid to all (even childless & non-disabled) adults under 100%.

New York---has no risk pool; a "Family Health" waiver covers parents under 150% & all childless (even *non*-disabled) adults under 100% *except* Medicare patients (who must be under the lower SSI/SSP level). State-subsidized "Healthy NY" insurance for workers under 250% *excludes part timers & Medicare patients & caps yearly Rx's at \$3,000*. The split legislature (D House; R Senate) *still excludes the disabled from the SPAP, even though Part D saves it \$113 million yearly*; began forcing SSI recipients into HMOs; raised FamilyHealth co-pays to \$5 for doctors & dentists & to \$3 for generic & \$6 for brand name Rx's; raised *other* Medicaid Rx co-pays to \$1 per generic & \$3 for brands; capped yearly Medicaid co-pays at \$200; set up a formulary allowing doctor over-rides; is promoting assisted living, chore aide & adult day care over nursing homes; asked to extend a waiver to keep letting HMOs & clinics do eligibility enrollments; cut the aged/disabled couple level by \$75 monthly; makes the City & counties pay half of non-federal Medicaid costs (but did cap their yearly increases at 3.5%); raised Family Health ER co-pays to \$25; let providers deny services to those who don't meet co-pays; enacted slightly tighter nursing home rules for asset transfers; funded AIDS day care health centers; set up a foundation to spend \$250 million it got from Blue Cross on access for the poor & preventive care; offered Medicaid to uninsured colon & prostate cancer patients under 250%; required hospital bill discounts for those under 300% & banned taking homes from delinquent debtors; and passed a mental health parity law. Gov. Spitzer (D) got the legislature to streamline eligibility & boost outreach (aiming to enroll 900,000 more adults & 500,000 more children); *raise the SCHIP level from 250% to 400%*; authorize better bargaining for Rx prices; promote outpatient clinics & HCB care over ERs & nursing homes; and improve case management---*paid for by some (but not all) of the hospital funding cuts he sought; lower Rx dispensing fees*; and limiting capitation rates for HMOs & health plans contracting to care for state patients.

North Carolina---has no risk pool; it will cover the working disabled 7/1/07; and it *increased* covered Rx's from 6 to 8 monthly (with exceptions for 3 or even more additional ones). It first abolished, but then resurrected, a SPAP – *which again excludes the disabled*—to pay up to \$18 of Pt. D premiums for those not on *full* Extra Help with incomes under 175%. CMS forced cuts of \$80 million in HCB care & home aides for 5,000 disabled. The state gave \$75 million more to low income health clinics and, while the UNC hospital system eased some indigent assistance rules, it now expects patients to make up-front cash co-pays. Children's dental rates are too low to attract enough providers. The state makes its counties pay 15% of Medicaid costs, but Gov. Easley & the legislature (both D) froze their 2007 costs (*yet state funding to do so may now be \$28 million short, although he, a tax study board & almost all House members favor a permanent cap & eventual phase-out*); raised the ADAP income level to 200% (in expectation of more federal funds); are considering starting a risk pool *without* a low income premium discount; but cut funds 75% for kindergarteners' eye exams. A state provider rate board considered one-third cuts in "community support" mental health fees, but then settled for smaller cuts.

North Dakota---this 209(b) state has a risk pool with a Medicare supplement but no low income premium discount. Fees are now too low & must be raised \$17 million, per a study by the GOP legislature. Gov. Hoeven's (R) Medicaid budget fails to fund fee increases, but he signed a bill taking the FOA option & plans to promote HCB care over nursing homes.

Ohio---a 209(b) state with no risk pool. Former Gov. Taft & the legislature (both R) cut the parents' level from 100% to 90% (27,000 lost Medicaid 1/1/06); raised Rx co-pays to \$3; slashed the adult dental budget by 50%; ended adults' independent psychologist care; cut state secondary payments for dual eligibles; herded patients—with some exceptions--into HMOs (one plan then even cut transport to dialysis); took \$80 million from state Disability Medical Assistance (DMA) for 15,000 disabled awaiting SSA eligibility decisions; and let providers refuse service to those who don't meet co-pays. But they added 2,000 new HCB waiver slots & moved 700+ patients into home care; enacted a mental health insurance parity law; yet kept the monthly aged/disabled level at only \$543 (the nation's lowest) and barred new DMA applications. A state audit said \$400 million--plus \$40 million in overpayments--can be saved by reforms in Medicaid. Its costs fell \$300 million--bolstering Gov. Srtickland's (D) plan to raise CHIP's level from 200% to 300% (adding 100,000 children & agreed to by the GOP legislature); raise the 90% parent level back to 100% (rejected by the legislature); have Medicaid subsidize insurance for 300,000 working poor; fund 5,600 more HCB waiver slots; let "over-income" persons "buy-in" to coverage (opposed by the legislature). He also found funds to admit 1,100 more from the waiting list to HCB care and the Senate voted to offer Medicaid to the working disabled. Doctor & dentist fees are too low to attract providers.

Oklahoma---this 209(b) state has a risk pool with no Medicare supplement & no low income premium discounts. It cut the Medicaid level from 185% to 100% for children over 1 & from 100% to the much lower SSI/SSP level for the aged & disabled, ended the family spend down and re-imposed a "3-Rx's-a-month" limit. But Gov. Henry (D) covered the breast & cervical cancer and working disabled groups; got higher tobacco taxes to fund a HIFA waiver to subsidize barebones insurance for 50,000+ workers & spouses under 185%, in small firms ---and then proposed expanding the plan. The split legislature plans to cut \$100 million in fraud & abuse; change Medicaid into a defined contribution plan with a 2nd HIFA waiver; offer fewer, "customized", benefits; offer only premium support instead of secondary Medicaid if patients can get work coverage; promote health savings accounts; end private insurance benefits mandates; promote home, primary & clinic care over ERs & nursing homes; raise provider fees; and expand mental health care (helped by a federal grant). A Senate panel voted to raise the SCHIP level from 185% to 300%. But the state ADAP had to take cost-containment steps.

Oregon---this Title XVI state has a risk pool that just dropped a Medicare supplement but still has low income premium discounts. An anti-tax referendum cost 70,000+ adults their coverage via income level cuts & premium raises; ended the spend down for all but transplant & HIV patients (enrollment fell over 50%); limited dental & ended vision care for adults; and cut covered rural HMO hospital days to 18 yearly. The state's ADAP reportedly had to adopt some patient cost-sharing. Gov. Kungoloski & the legislature (both D) created and then expanded a general drug discount plan; but his CHIP expansion bill (funded by a new 84-cents-a-pack cigarette tax) failed on a 1st try to get the needed 3/5's House vote.

Pennsylvania---has no risk pool, but it subsidizes barebones "AdultBasic" insurance for adults under 200% that excludes Medicare patients & has no drug benefit. Its SPAP still fails to cover the disabled under 65, even though Part D saves it \$170 million a year. Gov. Rendell (D) & the old all-GOP legislature arranged for the SPAP to wraparound Part D & pay its premiums & cost-sharing for joint eligibles; cut covered inpatient hospital stays to twice a year (but only once yearly for General Assistance patients), inpatient rehabilitation stays to once a year and men's doctor & clinic visits to 18 a year; got \$85 million more from Blue Cross plans for the AdultBasic budget to cover 30,000 on its waiting list; funded "universal" SCHIP; and offered Medicaid to the working disabled & "recovered/ex-disabled". Rendell's health expansion plan would use higher tobacco taxes, re-directed AdultBasic & Community Health Reinvestment monies, DSH funds, Medicaid waiver matching and a 3% payroll tax on employers not offering insurance to subsidize coverage for those making under 300% (with monthly premiums of \$130 for firms of under 50 employees & of \$10-\$70 per adult for workers), starting 1/08 & phasing-in some employer costs & mandates. The plan does not seem to raise the aged/disabled Medicaid level (now only 100% vs. a new 300% subsidy level for workers) nor expand SPAP coverage to the disabled. See <http://www.phlp.org/Website/alerts.asp> for details/critiques. The once all-GOP legislature now has split party control.

Puerto Rico----federal law caps its Medicaid matching funds far below what states get and **it has an ADAP waiting list.**

Rhode Island---has *no* risk pool, but has a 185% parent level & 100% for the aged/disabled.. It *added* coverage of the disabled over 55 to its limited-formulary SPAP; and offered Medicaid to the working disabled. Gov. Carcieri (R) added \$7 million+ in state funds to ADAP; **signed a bill to subsidize insurance for some low-paid workers in small firms** (but it also weakened the health insurance mandated benefits law); **issued regulations requiring free hospital care for those under 200%,, reduced rates for those under 300% and banning taking lived-in homes from delinquent debtors**; but **proposed cutting outpatient fees 10%**. A court voided his adoption of Medicaid drug co-pays without the consent of the legislature (D), **which is now considering a bill to impose prescription co-pays of \$1 per generic and \$3 per brand name drug.**

South Carolina--has *no* spend down. Its risk pool *has* a Medicare supplement but *no* low income premium discounts. Gov. Sanford & the legislature (both R) cut Medicaid Rx's from 4 to 3 monthly; added co-pays for hospitalizations (\$40), ER visits (\$25), doctor visits (\$2), dentists (\$3), Rx's (\$3) &, medical equipment (\$3); and **want CMS approval for Medicaid health savings accounts (HSAs), putting patients in the state employee health plan & bigger co-pays (e.g., \$5 @ Rx, \$100 @ hospital stay, \$25 @ O/P surgery)**. The SPAP covers those under 200%; is funded as a Medicaid Pharmacy Plus waiver; but **excludes the disabled. Four patients died on its 463+-person ADAP waiting list in 2006, when ADAP got only token state funds, but advocates seek \$5 million more this year & at least as much more next year in state money.**

South Dakota--has a risk pool with *no* low income premium discount that *excludes* Medicare patients and *no* spend down. Gov. Rounds & the legislature (both R) boosted cigarette taxes \$1-a-pack to fund a \$17 million Medicaid deficit.

Tennessee----Gov. Bredeson (D) & the split legislature ended the TennCare waiver expansion & dropped 191,000 adults, but no children. Except for pregnant women, children & HIV+ persons, doctor visits are limited to 10 &, hospital days to 20 yearly; Rx's are capped at 5 (2 brand Rx's + 3 generics) monthly, with \$3 or \$5 co-pays except for HIV & Hepatitis C drugs--and for many but not all drugs to prevent death or hospitalization. The state adopted a formulary; set Medicaid ER co-pays at \$5; covered Weight Watchers; ended methadone coverage; gave \$20 million more to low income & county clinics; raised Medicaid levels for pregnant women & infants; added 100s of HCB waiver slots; raised the CHIP level to 250%; **subsidizes barebones insurance** (at first only for *workers* under 250%, but later also for the aged & disabled & workers at non-participating firms); **revived a risk pool** (with *no* Medicare supplement, but with a premium discount for those under 200% that still costs \$160/mo); and **created a SPAP—with new enrollments now suspended due to heavy demand**--to cover generics & some but not all brand Rx's for *anyone* under 250% (even the *generic* co-pays are \$3 to \$10). CHIP co-pays are \$5 per generic & \$20 (!) per brand Rx; \$15 per doctor visit; \$50 per ER visit; \$100 per hospital stay; and, except for also exempting insulin, diabetic supplies & some mental health drugs, CHIP has the same Rx rules as Medicaid. See www.tennare.org & "*Unwilling Volunteers..*" at www.familiesusa.org for details. The state stopped covering benzodiazepines & barbiturates (*even for* epilepsy, seizures & mental health), over-riding its own Rx board.

Texas—has a risk pool that *just stopped offering* a Medicare supplement & has *no* low income premium discounts. Gov. Perry & the legislature (both R) ended the family-only spend down & CHIP coverage of prostheses, physical therapy & private duty nursing; tightened CHIP asset rules; imposed \$10 to \$20 co-pays for CHIP doctor visits & Rx's; raised CHIP premiums; cut Medicaid home health care; and ended adult chiropractic & podiatry coverage. The state is enrolling most Medicaid & CHIP patients into managed care (in hopes of spending \$109 million *less* on their care each 2 years), but there are delays in plans for the aged, disabled & institutionalized. Contractor service was so poor (122,000 children lost health coverage), that **the state cancelled its eligibility privatization contract**. After being upheld on appeal, **a federal court's final order to improve children's care & EPSDT is expected in 5/07 & may require \$700 million+ in new Medicaid costs, including higher fees (25% for doctors; 50% for dentists); and while the House did vote some fee raises, leaders in the GOP legislature plan to merely cut other program benefits to fund the order.** The state restored Medicaid & CHIP mental health, vision & hearing aid coverage & CHIP dental care, but **stopped covering day treatment** & revoked a Planned Parenthood birth control contract (because it *privately* funds abortions), but offers birth control & preventive screening to *all* women 18 to 44 under 175%. **The House voted to liberalize CHIP by: ending an earlier-imposed 90 day enrollment wait; 12 month eligibility; higher vehicle asset limits (\$18,000 for a 1st one & \$7,500 for a 2nd); and**

disregarding child care costs in counting income against the 200% eligibility level. The Senate voted for Perry's plan to use DSH and/or state/local uncompensated/indigent hospital care funds to subsidize insurance--but only for those working poor adults who can't afford to pay all of their own portion of job health plan premiums (but only if a work plan is offered at all); encouraging health savings accounts (HSAs), but allowing opt-outs; more Medicaid & CHIP cost-sharing & preventive care rewards; and letting those assigned to managed care to opt back into regular, fee-for-service Medicaid.

Utah---this Title XVI state has a risk pool with no Medicare supplement & no low income premium discounts. A HIFA waiver, gives barebones Medicaid (no hospital, specialists', nursing home or home health care; high drug & other co-pays) to uninsured adults (at first only parents, but now even the childless) under 150% & not on Medicare (but only if they apply during rare enrollment periods). The state offers full Medicaid to the aged & disabled under 100%; but the GOP legislature ended coverage of adult podiatry (even for brittle diabetics); audiology; speech, occupational & physical therapy; and vision and dental care (one patient's untreated tooth infection caused fatal meningitis); and won't raise doctor fees (now far too low) or offer more care to the severely disabled. Gov. Huntsman (R) had to seek private donations for dental care, yet began subsidizing up to \$150/mo + \$100 per child of poor workers' share of job health plan premiums (to eventually cover 4,000 to 9,000), and a study board he named is considering more expansions. Yet, even with a \$1.6 billion surplus, the GOP legislature wants more cuts (i.e., "consolidating" eligibility staffing; a 5% budget increase cap).

Vermont---The legislature (D) reversed most of Gov. Douglas' (R) cuts in adult dental care (dentures still aren't covered & there's a \$495 annual cap) and provider fees remain too low. But CMS & the legislature approved his HIFA waiver that, in return for \$400 million more to meet a 5 year deficit, puts patients into HMOs, promotes HCB care over nursing homes & tightens asset transfer bans-- but also caps future federal funds. There's no risk pool, but state reforms cut family premiums 50% and charges \$365 to firms that don't offer insurance to fund subsidized insurance for those under 300%.

Virginia---a 209(b) state with no risk pool. \$1.3 billion in new taxes raised hospital, nursing home & dental rates; funded 850 more HCB waiver slots; raised the aged/disabled level to 80%; and covered 100,000 more children. Gov. Kaine (D) authorized Medicaid for the working disabled & a SPAP to pay for co-pays & drugs uncovered by Pt. D plans for HIV+ Medicare patients under 300% (but the GOP legislature then cut its funds, putting many patients back in the Pt. D donut hole); raised the nursing home PNA by \$10, the pregnant woman level to 200% and pediatric fees by 15%; offered case management to those with selected diagnoses; and named a board to bolster Medicaid & plan coverage expansion. The legislature favors health savings accounts (HSAs), forcing more patients into HMOs (but it just capped their fees) & more cost sharing. Yet both parties' leaders want to add to recent 30% dental & OB/GYN fee increases; and the legislature's separate health study board favors offering extras (e.g., adult dental care, gym fees) to those who get preventive care.

Virgin Islands (US) --federal law caps its Medicaid matching rate below what states get; and it has an ADAP waiting list.

Washington---had a risk pool with a Medicare supplement and low income premium discounts (one or both of which was morphed into a SPAP); restored earlier children's eligibility cuts; and expanded Basic Health (state-subsidized, barebones insurance) by 6,500. It set up an Rx discount plan for the uninsured; restored some adult dental care; and covered Part D Extra Help co-pays. A state audit (which the federal IG said was partially incorrect) found \$1 billion in past improper Medicaid spending, Gov. Gregoire & the legislature (both D) reformed Rx controls; adopted a chronic case management plan; covered assisted living facilities; raised the SCHIP income level to 250% (covering 38,000 more children); will cover all children by 2009 (with a 2nd raise to 300%); covered foster children after age 18; eased access to insurance for small employer groups; and made health plans let children be covered dependents until age 25. King Co. found \$2.4 million to keep 4 low income clinics open; the state & Group Health Cooperative cut Basic Health premiums; and a state hospital association pledged to limit fees for those from 100% to 300% FPL (although state law already requires much the same).

West Virginia---covers only 4 brand name drugs monthly but Part D's advent & added state funds eliminated its ADAP waiting list. Its risk pool has no Medicare supplement & no low income premium discounts. It cut medical equipment, transport, incontinence, & wheelchair supply funds; but failed, in bungled & rigid attempts, to tighten admission criteria for HCB waiver care. Legislators & advocates support a bill to require that the Medicaid advisory board & the legislature

be briefed on & agree to changes. Gov. Manchin & the legislature (both D) passed bills to offer primary clinic care to the uninsured *employed* poor (but only with employer support), subsidize \$99-a-month private insurance for the *working* poor and raise the CHIP level to 300%--but he later sought to delay the CHIP liberalization for a year. The state will assign primary doctors to patients, put them in managed care & offer them extra “bonuses” (e.g., “emergent” adult dental care; *uncapped* drugs; preventive, anti-smoking, diabetes, fitness & diet services). At first enrollment will be “voluntary” & just for families (but it might later cover the disabled & aged) who sign “personal responsibility” contracts--with bonuses denied to non-signers & contract breakers (who’d then face more cost-sharing). A state plan amendment (relying on an “undue hardship” exemption in federal law mandating estate recoveries for Medicaid nursing home care), to allow the inheritance of up to \$50,000 in home equity to heirs was disapproved by CMS; then by the US District Court, and on appeal by a 4th Circuit panel, when the state sued CMS; and so the state has now appealed to the full 4th Circuit bench..

Wisconsin---over Gov. Doyle’s (D) --and even Congress’--objections, CMS plans to end its Pharmacy Plus waiver-funded SPAP (which *excludes* the disabled) 6/30/07 & the state is moving 25% of nursing home patients into at-home & HCB waiver care. Its risk pool *has* a Medicare supplement *and* low income premium discounts. Doyle vetoed the old all-GOP legislature’s health savings account (HSA) bill & asked the new, split legislature to raise the parents’ level from 185% to 200%.; set up a reinsurance plan to assume catastrophic costs of small firm insurers: **open the family Medicaid/SCHIP expansion waiver (with its *higher* 185%/200% level) to the childless aged & disabled**; raise tobacco & hospital taxes; move those on SSI (except MR & HCB patients) into managed care; and cut red tape that impedes children’s coverage.

Wyoming---has *no* spend down; its SPAP is open to *any non-Medicare-eligible* under 100%. The GOP legislature cut the mental health budget by 50%; but plans barebones coverage to CHIP parents under 200% (with higher co-pays, but premium-free for those under 133%) and seeks a Katie Beckett waiver for some mentally ill children. Gov. Freudenthal (D) requested \$5 million more for the risk pool, which *has* a Medicare supplement but *no* low income premium discounts.

SOURCES AND RESOURCES:

For the 48 states & DC, the 2007 federal poverty level (FPL) is \$10,210 yearly (\$851 monthly) for one plus \$3480 yearly (\$290 monthly) for each add’l person; see the Asst. Secy. for Plan. & Eval. pages at www.dhhs.gov for AK & HI.

Email sherry.barber@ssa.gov for a hard copy of “State Assistance Programs for SSI Recipients, 2006” on states’ Medicaid eligibility rules for SSI recipients, state supplements (SSPs) & their Sec. 1616, 1634 & 209(b) arrangements.

See “Medicaid & SCHIP...for Immigrants” at <http://www.kff.org/medicaid/upload/7492.pdf> on their coverage.

See the just-released “Unsettling Scores: Rank of State Medicaid Programs” (2007) at www.citizen.org ; it rates states by breadth of eligibility , scope of covered services, quality of care and adequacy of provider reimbursement.

See www.kff.org/medicaidbenefits for states’ 2003-04 “optional” coverage of chiropractors, podiatry, dentistry, dentures, orthodonture, eyeglasses, optometry, hearing aids, audiologists, psychologists, prosthetics, medical equipment, hospices and physical, occupational, speech & other therapy, which some states later cut in 2004-05.

See “Outline on State Medicaid Cutbacks & Responsive Advocacy” at www.healthlaw.org for legal rules states must meet to make cuts & legal arguments against them. Guides & arguments to oppose cuts appear at www.familiesusa.org , www.cbpp.org , www.communitycatalyst.org , www.TAEP.org and www.communitycatalyst.org.

See , at www.healthlaw.org : “The Role of State Law in Limiting Medicaid Changes”; “Q and A: State Medicaid Plans” on processing state plan changes; and ”The Deficit Reduction Act of 2005: Implications for State Advocacy” for tips to stop bad plan amendments. To ensure that plan changes/waivers get approved by legislatures & not just by Governors & state agencies, see <http://www.nachc.com/advocacy/Files/state-policy/model520state520legislationh.pdf> and http://www.nachc.com/advocacy/Files/ModelStateLegislation-AppropriationsRiderssr031406_RS-.pdf.

See “Waiver Watch” at www.healthlaw.org, “Waiver Tool Box” at www.familiesusa.org, “Coverage Gains Under Recent Sec. 1115 Waivers” (8/05) at www.kff.org & materials at www.cbpp.org for news & details on state waivers.

See “ADAP Watch” at www.NASTAD.org for the latest on state waiting lists, cost containment measures & state websites. The “National ADAP Monitoring Report, 2007, Appendix VIII, at www.kff.org lists state income levels & also liquid asset levels (if they have any). The Report also covers any state cost sharing rules & medical criteria and/or prior authorization needed for special or costly drugs. State ADAP formularies are in a 2nd adjacent document. Email alefert@nastad.org for a chart of state ADAPs’ policies & procedures to coordinate with /wraparound Pt. D. See charts summarizing much of the above data , state-by-state, under “HIV/AIDS” at www.statehealthfacts.org .

States’ August, 2003 cost-sharing, premium & co-pay rules & amounts are in “Medicaid and SCHIP: States’ Premium and Cost Sharing” (03/04) at <http://www.GAO.gov/new.items/d04491.pdf> ; but see more recent state drug co-pay data in the “State Medicaid Prescription Drug Reimbursement Chart– March, 2005” at www.ascp.com . See “Pharmaceutical Benefits Under State Medical Assistance Programs, 2004” (Section 4, pp. 24-46) under “Resources” at www.npcnow.org on state formularies, payments, any over-the-counter product coverage, prior authorization, prescribing/dispensing limits & drug co-pay amounts & any cumulative co-pay amount caps.

See <http://www.ncsl.org/programs/health/SPAPCoordination.htm> & <http://www.medicare.gov/spap.asp> on State Pharmacy Assistance Programs (SPAPs), their eligibility & coverage rules, and how they coordinate with Part D.

See <http://www.cms.hhs.gov/partnerships/downloads/1126P.pdf> for 2007 Part D LIS/Extra Help premiums, deductibles, co-pays/coinsurance, income & asset levels; and Special Enrollment rights for those who lose LIS.

Email jjacoburn@hdadvocates.org for a chart on how drug makers’ own corporate charity Patient Assistance Programs (PAPs) coordinate with, supplement & interact with Part D: “PAP Eligibility Criteria & Medicare Part D” (12/06).

While Part D displaces Medicaid for most drugs for dual eligibles, those 6 narrow classes of drugs that are specifically excluded by the Part D law can still be covered for them by Medicaid; such state coverage is re-tabulated from CMS surveys at www.medicareadvocacy.org/PartD_ExcludedDrugsbyState.htm (12/1/05 report under “News” icon).

See “Individual Budget-Based Models of LTC” (1/06) at www.statehealthfacts.org for states’ coverage of HCB waiver, home health, personal care aide & patient-directed home-based care as alternatives to institutionalization. Email lsmetanka@nccnhr.org for a list of 2006 state-set personal needs allowances (PNAs) for patients in Medicaid nursing homes & ICFs and for residents in state-licensed, SSP-funded board & care supervised group homes..

See “States Affected by Proposals to Reduce SCHIP Coverage..” at www.georgetown.edu (Health Policy Instit. pages) for state income levels (and/or income disregards) that cover those over 200% & state waivers to cover parents too.

See www.statecoverage.net/ for “State of the States, 2007” a survey of states’ Medicaid & health insurance coverage expansions (not including CA & PA) and “State Strategies to Expand Health Insurance Coverage” at www.cmwf.org .

See www.naschip.org on state health insurance risk pools & websites and to order “Comprehensive Health Insurance for High Risk Individuals: A State-by-State Analysis, 20th Ed.” (\$39.95; hard copy only) on state risk pools: funding, eligibility, benefits, any Medicare supplements, premium amounts & any premium discounts for low income patients.

See” THICANN materials” under ”what’s new” at www.healthlaw.org for “Painless Ways To Deal With State Medicaid Shortfalls” without harmful cuts; “State.. Aged/Disabled...Levels” and “State...Parental...Levels”; a health & Medicaid “Glossary”; “SPAPs , Part D and...the Disabled”; “How States Can Make More Patients Eligible for...Full...Extra Help at Little...State Cost..”; and “2007 VA Health...Benefits”.