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2. Disability Benefits and "Back to Work"

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The Voice of TII CANN

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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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(6/106)

Medicaid Watch: State Medicaid and Health Cuts & Expansions

By Thomas P. McCormack [draft # 7, April 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, FL, GA, ID, IL, IN, IA, 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/are considering provider fee raises (or being urged or forced by courts to) for doctors, dentists, specialists, 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 8 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 an aged/disabled income level of about 100%; 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 access rules; has a risk pool *with* a Medicare supplement but *no* low income premium discount; and created a token SPAP that *excludes* the disabled. There's an ADAP waiting list. A legislative study proposes segregationally shifting Natives' Medicaid services & funding onto IHS/tribal plans, paying their added costs with a 100% federal match from a Medicaid waiver.

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; but Gov. Napolitano (D) called for increased SCHIP enrollment, but the GOP House voted to weaken health insurance minimum benefits mandates.

Arkansas--- \$100 million in new taxes saved the spend down, Katie Becket waiver & adult vision care & bolstered nursing home rates; but other fees are still too low to attract enough providers. A HIFA waiver funds barebones, subsidized insurance for workers under 200%

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

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(open to “richer” families @ \$100/mo). 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 & more coverage expansion.

California---red tape & a lower income level have taken 200,000 parents off the rolls since 2004; and the risk pool offers no low income premium discount & no Medicare supplement. Gov. Schwarzenegger (R) is forcing the aged & disabled into HMOs, proposed a \$1,000 yearly patient dental care cap, made 5% doctor fee cuts; stopped paying extra Medicare HMO premiums for dual eligibles; but will forward federal funds to counties--\$228 million over 3 years just for the Bay Area counties—to serve & cover the uninsured; raise SSP levels to \$849 monthly (\$1491/couple); spend \$50 million more to expand CHIP; start 500 health clinics in low income schools; ban patient balance billing for ER visits; and require prescription discounts for the moderate income uninsured. He proposed to 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, already-available federal matching and new provider “fees” on doctors (2%) & hospitals (4%)-- though not raising the aged/disabled income level up to the new 250% subsidy level (it’s now 135%). Hospitals, doctors & GOP legislators oppose the plan & see 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. His 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. New referendum-voted cigarette taxes will raise the CHIP level from 185% to 200% (covering 4,000 more children), open 600 more HCB and/or Katie Beckett waiver slots, boost funding for low income clinics & raise 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 program for those not eligible for Medicaid (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 rates 15% to the ColoradoAccess HMO, so it then dumped its 65,000 patients into fee-for-service Medicaid; but it increased funding for its risk pool (which still has no Medicare supplement) 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 patient, pharmacist & doctor board; but signed the legislature’s bill creating a drug discount plan for the uninsured under 300%. Health advocacy groups, supported by the Senate leadership, plan to train 2,000 volunteers to enroll 115,000 children.

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; ended coverage of adult chiropractor, naturopath, psychologist and occupational. physical & speech therapy services; but dropped planned Rx co-pays as uncollectible. 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 a disease management plan for high risk patients; expanding SCHIP; requiring parents to insure children; and subsidized barebones insurance for uninsured adults—yet offered no funding. Democratic legislative leaders countered with a \$900 million plan to raise the Medicaid level for all adults to 185%; cover all children; otherwise subsidize coverage for lower income working families & small firms; and raise the state’s hospital & individual provider rates to the Medicare level.

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 (which thus remains closed to new patients, although it nominally does have a Medicare supplement but no low income premium discount); and got a waiver to privatize Medicaid & convert it, with premium support & health savings accounts, into a "defined contribution" HMO-type plan. The state cut the aged/disabled income level from \$719 to \$603 on 1/1/06 (77,000 lost coverage); set up a Medicaid "reform" board; and 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 still suing to raise too-low fees for children's care**; made the state drop a prior approval rule for nutrition supplements; and opposed slow Medicaid prior approvals for flu vaccinations. Dade County started a \$40 million plan for school nurses' routine care & to enroll pupils in Medicaid & SCHIP; and Gov. Crist (R) awarded a \$36 million contract to Pfizer for case management of 90,000 diabetics & other chronic disease cases.

Georgia---has no risk pool & ended CHIP coverage of dental surgery & other care and cut the Medicaid & WIC levels for pregnant women (7,500 lost coverage) & infants from 235% to 200%; raised CHIP premiums; ended adult coverage of emergency dental care & artificial limbs; is moving non-aged, non-disabled patients (including 200,000 on CHIP) into HMOs; ended spend downs for nursing home care (but use of certain trusts can still get or retain eligibility for some); capped HCB care costs; and tightened medical criteria for Katie Beckett waivers (shifting some costs to a foundation instead). **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 (although Perdue proposed using Medicaid funds for existing CHIP patients while awaiting more federal funds)**. The rolls fell 60,000 in 2006 due to stricter eligibility procedures; **and the GOP House voted to cut the CHIP level from 235% to 200% and charge extra premiums for dental & vision care (supporting the cuts, Speaker Richardson [R] criticized language accommodations for Spanish speaking immigrants & declared that arguments for the necessity of health coverage for poor children---and its basis in Christian teachings on charity---are "specious")** .

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 first (but 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, separate SPAP. Gov. Blagojevich & the legislature (both D) added HIV drugs to the 2nd SPAP's formulary (but only for Medicare patients); raised the parent income level to 185%; agreed to a court order raising children's doctor, specialist & EPSDT fees (but *all state fees are still far too low--and paid much too late, with a backlog of \$100s of millions!--to keep & attract enough providers, says State Comptroller Hynes*); offered subsidized insurance to veterans left uncovered by VA eligibility cuts; increased SCHIP income levels; and plan to offer a PCCM plan, to let *anyone* under 300% buy-in to Medicaid & to further raise provider rates. The risk pool, with a closed waiting list, *has* a Medicare supplement but *no* low income premium discount. Blagojevich & a legislative health reform board proposed a higher parents' level of 200% (but leaving it at only 100% for childless adults, including the aged & disabled); mandated health insurance for residents & employers, premium subsidies for those under 400% & tax incentives for small firms—costing the state \$3.5 billion & employers \$1.5 billion. HMO enrollment is still voluntary. Cook Co.'s hospital system, serving the Chicago-area poor, has a \$150 million deficit that now requires service cuts, facility closures & denial of free indigent care to suburban county 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 claims, also unaccountably "flat-lines" Medicaid funding*. The state tightened its lax spend down procedures (but a class action suit forced it to reinstate 12,606 aged & disabled dropped with no hearing rights); and funded service plans for 650 more disabled clients. Doctors complained of the state's enrolling patients in managed care plans that pay *even less* than regular Medicaid, so the state then agreed to raise their fees. Daniels *plans an expansion (via HIFA waiver and/or DRA-type plan amendment) to subsidize insurance for parents under 200% & for childless--even non-disabled--adults under only 100%, funded by a higher tobacco tax (that the House rejected), relying on HMOs, health savings accounts & preventive care.*

Iowa---a waiver gives *watered-down* Medicaid to 30,000 uninsured adults—even if childless or non-disabled--with incomes under 200% for care at 2 public hospitals (but with outpatient drugs available *only* there). The risk pool has *no* low income premium discounts & *no* Medicare supplement; but extra state funds & Part D's advent ended an ADAP waiting list. The old legislature (R) had sought ways to cut Medicaid, but Gov. Culver & the new legislative majorities (all D) are considering a \$1/pack cigarette tax hike to fund more expansions; and plan to cover 20,000 more children & 9,000 parents; raise Medicaid income levels; and offer further insurance subsidies to more of the uninsured working poor.

Kansas---a Title XVI state. The GOP legislature passed a limited tax credit to expand small firm coverage, health savings account measures & a health care re-organization; it abolished the SPAP & called for more anti-fraud efforts—but did raise provider fees to about 65% to 83% of Medicare's rates. Blue Cross & a foundation subsidize barebones insurance for Kansas City-area families making under \$30,000; but the state risk pool has *no* low income premium discount & *no* Medicare supplement. The state offers Medicaid to the working disabled, the working "pre-disabled" (only if they're in the risk pool & are severely impaired) and the working "medically improved"/"ex- disabled". Because the state plan's language limited coverage of disabled institutionalized children to 140/180 days—even though longer stays are allowed by federal law—CMS questioned matching for over 500 of them, forcing their transfers to regular foster care, small group

homes or state hospitals. And even Gov. Sibelius' (D) modest budget provision to expand coverage for children under 5 was rejected by the GOP House, while federal audits disallowed or questioned \$146 million in Medicaid matching claims.

Kentucky--- Gov. Fletcher (R) & the split legislature raised Rx co-pays to \$1 per generic, \$2 per preferred brand name & \$3 per non-preferred brand name drug; but dropped earlier-tightened nursing home & HCB care medical qualification rules; raised the cigarette tax by 30 cents-a-pack with a further 10-cent raise 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 co-pays for doctor visits, \$2 to \$20 co-pays for other outpatient 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 a person & \$350 a family (except for non-Louisville-area patients, who'll 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% to keep & attract providers; 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 (the business-oriented Public Affairs Research Council wants to close all but the 3 of them needed to service medical schools---which a "Collaborative" of doctors, hospitals & insurance companies also suggests, along with subsidized private insurance premium vouchers for 300,000 persons under 200%). Gov. Blanco & the legislature (both D) offered Medicaid to the working disabled & mentally ill "pre-disabled" and the Health Secretary wants to cover more children & raise the disabled's income level.

Maine---Gov. Balducci & the legislature (both D) subsidize health insurance for workers & dependents under 300%; raised the level for all childless adults to 125% (but then barred new childless, non-disabled, non-aged patients) & for parents to 200%; plan coverage of the working disabled; give limited waiver coverage to HIV+ persons (even the "pre-disabled") under 250%; adopted a formulary; raised taxes on the rich, tobacco & alcohol to fund it all; are getting caught up on backlogged provider payments; and set up a board to study more health reform. But the state has no risk pool. The Medicaid agency proposed a \$74 million reduction in its state funds budget---justified by projected savings from "cost controls" & "standardization" of mental health fees; promoting preventive health; and more chronic disease management.

Maryland---former Gov. Ehrlich (R) closed CHIP to new patients with incomes over 200% & raised its premiums; but the state supreme court upheld a ruling voiding his denial of coverage to legal immigrants here less than 5 years under the state constitution's equal protection clause. An AARP/Legal Aid suit says the state's HCB waiver medical admission rules are too strict. The higher income SPAP excludes the disabled & merely subsidizes Part 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) not on Medicare under 116%. Despite a recent dental fee raise, specialist & dentist rates are still too low to attract providers (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 (it even offered to fund Medicaid expansion with its \$75 million surplus!); 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 health insurance was voided by a federal court & a state appeal to the 4th Circuit failed. A House (D) -passed bill, using a new \$2-a-pack cigarette tax, raises the CHIP level to 300% & that for all adults to 116% and costs \$500 million. But Gov. O'Malley & Senate leaders (both also D) oppose the tax & favor only a higher CHIP level & modest insurance reforms.

Massachusetts---has no risk pool. Former Gov. Romney's (R) health cuts were killed by the legislature (D). He 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 a bill to expand Medicaid; require all residents to be insured (which business & insurance industry groups now call for postponing 18 months); subsidize small employers & workers under 300% (adults will pay \$18-\$106 of a \$175-\$380/mo premium); raise the CHIP level to 300%; restore all adults’ dental & eyeglass benefits; and raise the parents’ level to 200%. But it fails to raise Medicaid’s childless aged (100%) & disabled (133%) levels to the new, higher 200% parental level too. 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 pledges to carry out & refine the reforms.

Michigan---has no risk pool. It ended almost all adult dental, hearing aid, podiatry & chiropractic care and stopped enrolling new childless non-disabled adults under 100% into its outpatient care-only waiver. The then-all-GOP legislature passed bills with more & higher premiums & co-pays, which Gov. Granholm (D) called “unprecedented in [their] cruelty”. Yet she accepted compromises to protect most current recipients; adopt some cost-sharing; impose some stricter eligibility rules for some new applicants only; abolish the SPAP; and even require Orwellian patient urine tests for smoking & sugary/fatty diets (violators face \$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%; asked CMS for \$600 million more in federal waiver funds to subsidize insurance for the working poor & small firm employees under 200%. Wayne Co.(Detroit) began an effort to enroll 100,000 new Medicaid & SCHIP patients and Genesee Co.(Flint) voted to subsidize coverage for uninsured workers & families under 200% --while Ingram (Lansing), Muskegon & Wayne Counties already do the same. A court voided a law letting providers make patients actually pay co-pays. The Senate (still R; the House is now D) voted to raise cost-sharing still higher & even more strictly compel patients to treat obesity, smoking and high cholesterol & blood pressure. The state had to adopt ADAP cost containment measures.

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 legal aliens (nearly 30,000 lost coverage). Gov. Pawlenty, the House (then R) & the Senate (then & now D) raised tobacco taxes to restore previous cuts. A court voided a state law letting Medicaid providers deny care or Rx’s to those who don’t make co-pays; 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 some diagnoses of the working “pre-disabled”, and the “recovered/ex-disabled” & fully disabled. He proposed expanding 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. Defying a federal proposal to lower 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. Greater eligibility red tape forced 50,000 more off the rolls.

Missouri---a 209(b) state; its risk pool has no Medicare supplement & no low income premium discounts. 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% (but a court reinstated those who qualify on other bases); ended adult dental, podiatry, hearing aid, appliance & eyeglass benefits (but a federal court voided a 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 families with work plan premiums

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 earning under \$30,000. The state restored eyeglass & wheelchair items coverage. A 2006 referendum to raise tobacco taxes to restore some Medicaid cuts & raise the income level toward 200% only barely failed to pass. Blunt condemned Medicaid as an “outdated relic”; **cut off funds for Planned Parenthood’s women’s cancer screenings (because *some* of its clinics use *private* funds for abortions)**; and proposed hiring MDs, RNs & lay workers as health care coordinators; **getting 5,000+ patients (even the disabled) to sign “independence” contracts” to find jobs & give up Medicaid; an insurance subsidy plan for low income workers in firms of 50 or less (which he later weakened at business groups’ behest); possibly higher co-pays & use of “premium support” to only buy private coverage *in lieu* of keeping Medicaid as secondary payer; benefits for foster children to age 21; again raising doctor fees; covering more poor children; using assigned primary care doctors & more managed care; preventive care; and dental, vision & other extra care “rewards” for the “compliant”.** *Both parties’ token working disabled Medicaid restoration bills still exclude most SSDI & VA recipients.* See critiques at www.mobudget.org

Montana---its risk pool offers *both* low income premium discounts *and* a Medicare supplement. Former Gov. Martz (R) added more & bigger co-pays, restricted nursing home eligibility, cut doctor visits for the aged & disabled to 10 yearly, dropped coverage of some hospice & home health care. But Gov. Schweitzer (D) and the now-split legislature ended the CHIP waiting list; covered 2,000 more children; funded buying pools to help small firms insure workers (**which he now wants to expand to 1,000 more workers**); **want a HIFA waiver to fund a higher CHIP level to cover 10,000 more children & give barebones Medicaid to 3,000 more adults**; raised Medicaid’s family asset level to \$15,000 (thus switching 3,800 children from CHIP, which has a capped budget, to Medicaid, which doesn’t) so as to cover more children; and created a token SPAP for aged *and disabled* Medicare patients under 200% (but it *doesn’t* cover the disabled during the 2 year waiting period). State case & disease management programs save over \$20 million yearly. **There’s an ADAP waiting list.**

Nebraska----a Title XVI state; its risk pool has *no* Medicare supplement & *no* low income premium discount. Former Gov. Johanns (R) & the nominally “non-partisan” legislature ended coverage for 15,000 welfare-to-work parents (a court order voiding/delaying much of the cut was upheld on appeal). The state pays Part D co-pays for dual eligibles in HCB waivers and board & care homes. A state reform study board seeks to save Medicaid \$72 million yearly by making it a “defined contribution” plan & fostering assisted living & HCB waiver 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.

New Jersey---has *no* risk pool & it privatized eligibility determinations for SCHIP & Medicaid. But the parental level is again being moved back up toward 133% (covering 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 “Massachusetts-lite” health coverage expansion to cover the uninsured** (costing \$1.7 billion the 1st year), but there’s a

nearly \$50 million state SCHIP deficit; **the proposed budget calls for \$3-\$6 Medicaid Rx co-pays (apparently without even any cumulative cap on cost-sharing)**; and an audit questioned \$52 million in school health spending.

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 covering assisted living, chore aide & adult day care over nursing homes; requested a waiver extension 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 (but *not* for living allowances or spousal support, or in asset rules for home health & HCB care); 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; gave Medicaid to uninsured colon & prostate cancer patients under 250%; and required hospital bill discounts for those under 300% & banned taking homes from delinquent debtors. Outgoing Gov. Pataki (R) signed a mental health parity bill. Gov. Spitzer (D) pledged to add more outreach; enroll 900,000 more adults & 500,000 more children; **raise the SCHIP level from 250% to 400%**; bargain better for lower Rx prices; **promote outpatient clinics & HCB waiver care over ERs & nursing homes**; and improve case management--**to be paid for by hospital funding cuts, which hospitals, their employee unions & some legislators oppose**.

North Carolina---has *no* risk pool; it covered the working disabled (eff. 7/1/07); and *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 makes patients pay up-front cash co-pays. Children’s dental rates are too low to attract providers. The state makes its counties pay 15% of Medicaid costs So Gov. Easley & the legislature (both D) froze their costs for 2007 (**but state funding to do so may now be \$28 million too low**); raised the ADAP income level to 200% (adding millions in state funds to its budget); **are considering starting a risk pool *without* a low income premium discount**; but cut money 75% for kindergarteners’ eye exams. A federal audit says the state should refund \$15.5 million (plus \$90 million more from hospitals) in DSH funds.

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 to attract providers & must be raised \$17 million, according to a GOP legislative study Yet Gov. Hoeven (R) called for a \$401 million Medicaid budget *without* any fee increases, but for promoting HCB care over nursing homes.

Ohio---a 209(b) state with *no* risk pool. Former Gov. Taft & the legislature (both R) cut the parents’ income 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**. Yet they created over 2,000 new HCB waiver slots & moved 700+ patients into beefed-up home care

and Taft signed a mental health insurance parity bill. But they 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 Medicaid reforms. Yet Medicaid costs fell \$300 million yearly, **bringing calls to reverse earlier cuts & bolstering Gov. Srtickland's (D) plan to raise the SCHIP level to 300% (adding 100,000 children), have Medicaid subsidize insurance for 300,000 working poor & let "over-income" adults "buy-in" to Medicaid. He also found funds to admit 1,100 more waiting list patients to HCB waiver care and the Senate voted to give Medicaid to the working disabled.**

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, re-imposed a "3-Rx's-a-month" limit and cut the nursing home & HCB waiver income level. 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 185%, in firms with under 50 workers---and in 2007 proposed the plan's further expansion. 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", cheaper benefits; offer only premium support instead of secondary, wraparound Medicaid if patients can get work coverage; promote health savings accounts; end private insurance benefits mandates;** cut ER & nursing home costs by promoting home, primary & clinic care; raise provider fees; and expand mental health care (with help from a federal grant). **A Senate panel voted to raise the SCHIP level from 185% to 300%. But the state ADAP had to adopt cost-containment measures.**

Oregon---this Title XVI state has a risk pool that just dropped offering 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 adult dental care; ended their vision care; 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.

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 does have a 185% parental/family income level. It added coverage of the disabled over 55 to its limited-formulary SPAP; and offered Medicaid to the working disabled. Gov. Carcieri (R) vainly attempted some eligibility & benefit cuts, 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) & **proposed cutting outpatient fees 10%.**; but a court voided his adoption of Medicaid drug co-pays without the legislature's (D) consent.

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), prescriptions (\$3) &, medical equipment (\$3)and seek CMS approval for**

Medicaid health savings accounts, enrolling Medicaid patients in a form of the state employee health plan & bigger co-pays (e.g., \$5 per Rx, \$100 [!] per hospitalization, \$25 per O/P surgery). The SPAP has a 200% income limit; is funded as a Pharmacy Plus waiver; but *excludes the disabled*. **Four persons died on its ADAP waiting list in 2006, when ADAP got only token state funds, but advocates seek at least \$3 million more this year & \$4 million 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, dropping 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 names + 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 hundreds of HCB waiver slots; raised the CHIP level to 250%; **subsidizes barebones insurance with high co-pays** (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 monthly); and **created a SPAP—for which enrollments have already been suspended due to heavy demand--**to cover generics & some but not all brand name drugs for those under 250% (the *generic* co-pays alone are \$3 to \$10). CHIP co-pays are \$5 for generics & \$20 (!) for brand names; \$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.tennCare.org & www.researchcouncil.org for details. The state stopped covering benzodiazepines & barbiturates (*even for* anxiety, epilepsy, seizures & mental health), over-riding its own Rx board. **Email eyesmedia@mindspring.com to arrange to see Julie Winokur's documentary, *Collateral Damage: Bad Medicine in Tennessee*; it portrays the heartbreaking effect of the TennCare cuts on poor patients.**

Texas---has a risk pool that *just dropped 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 (**but one GOP legislator now has a bill to re-liberalize them**); imposed \$10 to \$20 co-pays for CHIP doctor visits & Rx's; raised CHIP premiums; imposed a 90 day wait to enroll in CHIP; cut Medicaid home health care; and ended adult chiropractic & podiatry coverage. A court voided a law denying Medicaid to parents who abuse drugs or alcohol or whose children miss school or checkups. The state wants a waiver to force TANF families in 8 large counties into HMOs that will spend \$109 million *less* on their care each 2 years, but there are delays in HMO plans for the aged, disabled & institutionalized. The contractor's service was so poor (122,000 children lost health coverage, even though a study found that over 50% of applicants had proper documentation), that **the state cancelled its eligibility privatization contract**, asked some of its 2,900 laid-off workers to return and gave 28,000 CHIP cases more time to complete forms. The state ADAP eased access to Fuzee. A federal court ruling requiring better EPSDT outreach survived state appeals; **and the court's final order for redress, expected in 4/07, may require up to \$3 to \$5 billion more in Medicaid expenditures & even increased provider fees (the House voted to raise doctor, dentist & pharmacist fees)**. 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 now offers birth control & preventive screening services to all women 18 to 44 under 175%. Perry is considering **using DSH funds to subsidize insurance for low income persons; Medicaid health savings accounts; a waiver to raise cost-sharing even above DRA-allowed levels; offering premium support instead of wraparound Medicaid if patients can get job plans; and "selling" the lottery (using 20% of proceeds for a trust to pay out \$250 million yearly to cover some of the uninsured)**.

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 application 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 so low they deter most providers) or offer more needed specialty care to the severely disabled. Gov. Huntsman (R) even had to solicit private donations for dental care, yet still began subsidizing up to \$150/mo (plus \$100 per child) of the employee share of job health plan premiums for the working poor (eventually to cover 4,000 to 9,000), and a study board he appointed is considering more expansions. Yet, even with a \$1.6 billion surplus, the GOP legislature still wants more Medicaid cuts (i.e., "consolidating" eligibility staffing; a 5% budget increase cap). The health agency's formulary proposal was crippled when the Senate added a mile-wide, "dispense-as-written", automatic formulary-override loophole.

Vermont—The legislature (D) only partially reversed Gov. Douglas' (R) elimination of adult dental care (dentures aren't covered & there's a \$495 annual cap) and providers' fees are too low to keep & attract them. But CMS & the legislature approved his HIFA waiver which, in exchange for \$400 million extra to meet a 5 year deficit, forces patients into HMOs, promotes HCB care over nursing homes & tightens up asset transfer bans-- but also caps future federal funds. There's no risk pool, but a bi-partisan law cuts family premiums 50%, raises tobacco taxes and charges \$365 to employers that don't offer health insurance to fund subsidized, sliding scale premium private insurance for those under 300% starting in 2007.

Virginia---a 209(b) state with no risk pool. \$1.3 billion in new taxes prevented cuts; raised hospital, nursing home & dental rates; funded 850 more HCB waiver slots; raised the aged/disabled income level to 80% FPL; 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% (for which the GOP legislature later reduced funds, leaving many patients without full donut hole coverage); raised the nursing home PNA by \$10, the pregnant woman level to 200% and pediatric fees by 15%; and named a board to bolster Medicaid & plan coverage expansion. The GOP legislature favors health savings accounts, forcing more patients into HMOs & raising their cost-sharing. Yet both parties' leaders want to add to recent 30% dental & OB/GYN fee increases to attract providers; and the legislature's own separate health study board favors offering "extras" (e.g., adult dental care, gym fees) to patients who get preventive care.

Washington---had a risk pool with a Medicare supplement and low income premium discounts, that somehow 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 a health access board; & 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) will reform administrative & Rx controls; adopt a chronic case management plan; cover assisted living facility care; raise the SCHIP income level to 250% (covering 32,000 more children); cover all children by 2009 (with a 2nd increase to 300%); cover foster children after age 18; and make 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 lowered Basic Health premiums; and a state hospital association pledged to limit fees for those between 100% & 300% (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. Concerned 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%--all effective in 2007 (but he later sought to delay the CHIP liberalization for at least a year). The state will assign primary physicians to patients, put them in managed care & offer them extra "bonus" services (e.g., "emergent" adult dental care; uncapped drugs; preventive, anti-smoking, diabetes, fitness & diet services; etc.). 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 a 1993 federal statute mandating estate recoveries --even against former homesteads-- for Medicaid nursing home care to exempt & allow

passing on of up to \$50,000 in home equity to heirs was disapproved by CMS; by the US District Court and then on appeal by a 4th Circuit panel when the state sued CMS; and the state has now appealed to the full 4th Circuit.

Wisconsin---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. Gov. Doyle (D) vetoed the old GOP legislature's health savings account bill & proposed that the new, split legislature raise the parents' level from 185% to 200%.; set up state-sponsored reinsurance to cut premiums (by assuming catastrophic costs) of small firm insurers: **open the family Medicaid/SCHIP expansion waiver (with its *much higher* 185%/200% income level) to the childless aged & disabled too;** raise tobacco & hospital taxes; move those on SSI (except MR & HCB patients) into managed care; and cut red tape that impedes children's access.

Wyoming---has *no* spend down and its SPAP is open to *anyone* under 100% who's *not* Medicare-eligible. The GOP legislature cut the mental health budget by nearly half (even with a \$1 billion surplus & a state chronic case management plan saving \$30 million yearly); but seeks to give barebones coverage to CHIP parents under 200% (with higher co-pays, but premium-free for those under 133%) and to get a Katie Beckett waiver for 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 & their Section 1616, 1634 & 209(b) arrangements; if they offer--plus amounts of & who administers--SSPs, or State Supplementary Payments (including those for residents of board & care homes); and state-SSA welfare interim assistance reimbursement agreements for indigents awaiting SSI.

See "Medicaid & SCHIP...for Immigrants" at <http://www.kff.org/medicaid/upload/7492.pdf> on limits for federal Medicaid/SCHIP coverage of legal & illegal aliens. Email adubard@schsr.unc.edu for recent demographics & data.

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 these DRA advocacy guides, at www.healthlaw.org : "The Role of State Law in Limiting Medicaid Changes"; "Q and A: State Medicaid Plans" on preparation & submission rules and procedures for state plan amendments; and "The Deficit Reduction Act of 2005: Implications for State Advocacy" for tips to prevent bad plan amendments. For a model statute requiring that plan changes/waivers be approved by legislatures & not just by Governors or Medicaid agencies, see <http://www.nachc.com/advocacy/Files/state-policy/model520state520legislationh.pdf> and http://www.nachc.com/advocacy/Files/ModelStateLegislation-AppropriationsRiderssr031406_RS-.pdf.

Legal research & support for challenging the permissibility of state Medicaid numerical monthly prescription limits under federal law [42USC1396r-8(d)(1)(B)] is available from perkins@healthlaw.org and stoubman@nhlegal.org.

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 details on state waiting lists, cost containment measures & state websites. The “National ADAP Monitoring Report, 2006: Key ADAP Highlights”, Chart 1, pp.1-2, at www.kff.org lists state income levels. See the adjacent full Report for 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 Part D. The “2007 ADAP Monitoring Report” & related materials will be posted 4/11/07 at www.kff.org & www.NASTAD.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.asep.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 new, 2007 Part D LIS/Extra Help premiums, deductibles, co-pays/coinsurance, income & asset levels; and Special Enrollment rights for those who lose LIS.

Email jcoburn@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).

See <http://www.epocrates.com> (subscription required) for regularly updated formularies for each Part D drug plan. 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/Part_D_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. A list of 2006 state-set personal needs allowances (PNAs) for patients in Medicaid SNFs & ICFs and for residents in state-licensed, SSP-funded board & care supervised group homes is available from lsmetanka@nccnhr.org.

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.cmf.org.

See www.naschip.org on state health insurance risk pools 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: websites, funding, eligibility, benefits, any Medicare supplements, premium amounts & any premium discounts for low income patients.

Email asuchman@aphsa.org for Center on Workers w/ Disabilities newsletter; federal & state eligibility rules for their health coverage are in TIICANN’s “State Medicaid Buy-in..” & “Returning to Work...” guides at www.healthlaw.org

See” TIICANN materials” under the new items listing at www.healthlaw.org for “Painless Ways To Deal With State Medicaid Shortfalls” without harmful cuts; “State Aged/Disabled...Income Levels” and “State...Parental...Income Levels”; a health & Medicaid “Glossary”; “SPAPs , Part D and...the Disabled”; “How States Can Make More Patients Eligible for...Full Part D Extra Help at Little or No...State Cost...”; and “2007 VA Health...Benefits”.