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### Medicaid Watch: State Medicaid and Health Cuts & Expansions

Thomas P. McCormack, Editor [draft # 5; May 1, 2009; *please discard earlier versions*]

*See pages 13 and 14 for updated sources and resources on state health programs*

#### NATIONAL SNAPSHOT SUMMARY

States made or are considering cuts or expansions in **AL, AR, AZ, CA, CO, CT, DC, FL, GA, IL, IN, KS, LA, ME, MD, MN, MO, MT, NE, NV, NJ, NY, NM, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, WA, WV & WI**--but many expansions exclude aged, disabled, unemployed and/or childless adults Almost all states already pay far-too-low fees to MDs, DDSs, hospitals & nursing homes; **and now many are moving to slash their fees even lower**. Some states have monthly numerical limits on Medicaid Rx's—with very strict & low monthly caps in **AL, AR, GA, KY, LA, MS, OK, SC, TX and WV** Most states deny non-emergency dental care---often even dentures—to adults. There are ADAP “waiting lists” in **IN, MT & NE** and possibly now or soon in **ID, KY, ME, PR & VI**; while **AL** has an “enrollment cap”. 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. 21 of the 35 state-subsidized health insurance high risk pools—still fail to permanently fund subsidized discount premiums for lower income patients.

**Alabama**--has no spend down; an aged/disabled level of \$674/mo (the SSI rate), a parent level of 11%/ 25% if working (2008); CHIP's level is 200% & ADAP's is 250%; covers 12 MD visits & hospital days/yr & 4 brand Rx's/mo; and **has an ADAP “enrollment cap”**. The deficit is \$784 million & Gov. Riley (R) asked the legislature (D) to cut CHIP \$7.3 million & ADAP \$5 million (the House did cut it \$2.9 million) & freeze CHIP enrollment. The risk pool has no low income premium discount or Medicare supplement. The legislature is considering a 5.8% hospital “assessment” to prop up Medicaid funding.

**Alaska**---this Title XVI state has no spend down; an aged/disabled level of about \$1,036 (its SSI/SSP rate), a parent level of 80%/85% if working (2008) & a 300% ADAP level. It tightened HCB & home care medical qualification rules; has a risk pool with a Medicare supplement but no low income premium discount; created a token SPAP for those under 175% **that excludes the disabled**; and covered some adult dentistry. Gov. Palin (R) & the legislature (R House; tied Senate) raised the CHIP level to 175% of Alaska's own FPL.

**Arizona**--has no spend down or risk pool & covers parents under 200% & childless (even non-disabled) adults under 100%, its CHIP level is 200% and ADAP's is 300%. With no objections by incoming Gov Brewer, the legislature (both R) killed ex-Gov. Napolitano's (D) program to let disabled buy into Medicaid during the Medicare 2 yr waiting period & **cut home personal care services for the aged & disabled. The 2010 deficit is \$3 billion.**

**Arkansas**—has an aged/disabled level of \$674 (the SSI rate), a parent level of 14%/17%

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if working (2008), an ADAP level of 500% & a monthly numerical Rx limit. A waiver subsidizes insurance for small firm workers below 200%. Gov. Beebe & the legislature (both D) raised DDS fees, covered most adult dentistry and passed a 56 cent cigarette tax to fund low income clinics; school health, substance abuse & hospital trauma care; and raise the CHIP level from 200 to 250%. The risk pool has no low income premium discount or Medicare supplement Taking \$100 million from a surplus fund averted a deficit but health staff say Medicaid & CHIP need \$111 million more in 2010.

**California**--The under-funded risk pool (often closed to new patients) has no low income premium discount or Medicare supplement. Public Citizen says MD fees are the US' 10<sup>th</sup> lowest. The state covers the aged/disabled under about 135%, parents below 100%/106% if working & prostate cancer patients under 200%. Its ADAP level is 400% & CHIP's is 250% Gov. Schwarzenegger (R) stopped paying Medicare HMO premiums for dual eligibles. He & the House (D) agreed on a bill to cover children below 300% & adults under 100% or 150%; and to subsidize insurance for others below 400%--but with a \$16+ billion dollar deficit the Senate (D) killed it. He raised parent & child premiums; capped adult & child dental care at \$1,800 & \$1,500/yr; made parents & children re-apply each 6 months; cut provider fees 10% (but courts blocked the hospital, druggist & adult day health care fee cuts); and stopped paying Pt B premiums for Medicare patients on spend downs of over \$500/mo. He wants to cut the parent level to 72% & drop 2<sup>nd</sup>, non-"unemployed" parent families. In all, 429,000 may lose coverage & a CHIP waiting list may be needed. Sacramento Co. is closing 2 low income clinics and it & Contra Costa Co. barred illegals from their clinics A court says CA flouts a law requiring it to cover pre-disabled HIV patients with any savings from putting HIV patients in HMOs but CA says HMOs cost more than fee-for-service care.

**Colorado**--has no spend down. The old GOP legislature gutted the insurance minimum benefits law & promoted HSAs in private plans, but raised the parent level to 60%/66% if working (2008). The level for those over age 60 is \$699 (the SSI/SSP rate only for them) but a mere \$674/mo (the SSI rate) for the younger disabled. The ADAP level is 400%. The Denver Med. Ctr. & the U. of CO Hosp. cut their indigent care programs; and they & the *stats* Indigent program (for the childless poor awaiting SSA disability awards) boosted co-pays. The state raised the risk pool low income premium discount level to \$50,000 & added a Medicare supplement to it; adopted a consumer-run board's Medicaid care plan for the disabled; and got Kaiser to spend \$2.5 million more defraying its poor clients' co-pays. Gov. Ritter (D) adopted a formulary; joined a multi-state Rx buyer pool; started an Rx discount plan for those under 300% (which has skimpy discounts & little patient interest) and made private plans cover PTSD, anorexia, substance abuse & colorectal screening. A reform panel suggested raising the level for all adults to 205% & subsidizing insurance for those under 400%, but the deficit is \$300+ million. The state is cutting MD fees \$57 million & low income clinic subsidies \$15 million. Yet Ritter & the legislature (D), with hospital support, authorized a hospital "fee" to raise \$600 million to cover 100,000 more persons, increase the CHIP level from 225 to 250% and the parent & childless (even non-disabled) adult levels to 100%, offer Medicaid to the working disabled under 450% & double hospital indigent care funding (but not raise the low & just-cut MD fees), phased in over 2 years. The state widened CHIP psychiatric benefits & started a SPAP just for HIV patients

**Commonwealth of the Northern Marianas**—federal law caps its matching rate below what states get & it can't even fully fund its share of Medicaid even though 37% of residents are poor enough for Medicaid. Its low fees attract few MDs & DDSs (only public clinics), but it enrolled some off-island specialists by agreeing to pay Hawaii's higher Medicaid fees

**Connecticut**—a 209(b) state; its aged/disabled level is about \$842 (its SSI/SSP rate), its parent level is 185% (191% if wking) & its ADAP level is 400%; its CHIP level is 300% and its risk pool has a low income premium discount for those under 200% but no Medicare supplement. Ex-Gov. Rowland or Gov. Rell (both R) raised premiums, co-pays & asset levels for the SPAP (its income levels are \$25,000 for 1 & \$31,900 for 2); ended non-clinic-provided adult chiropractor, naturopath, psychologist and occupational, physical & speech therapy coverage; and extended hospice care to all Medicaid patients; but MD & DDS fees are still too low. Rell moved to cut AIDS services by \$2.7 million & the SPAP by \$2.8 million and delay the start of an HIV HCB waiver to save \$4.6 million. She proposed raising CHIP premiums & co-pays, ending coverage of non-emergency adult dentistry & legal aliens in the country under 5 years; and cutting coverage for SPAP clients not yet on Medicare (i.e., the disabled still in Medicare's 2 year waiting period). For more detailed summaries of her proposed health cuts see [http://www.cthealthpolicy.org/pdfs/gov\\_budget\\_impact.pdf](http://www.cthealthpolicy.org/pdfs/gov_budget_impact.pdf) &

[http://files.e2ma.net/18709/assets/docs/gov\\_s\\_budget\\_proposals\\_cabhn.pdf](http://files.e2ma.net/18709/assets/docs/gov_s_budget_proposals_cabhn.pdf) The legislature (D) covered the working disabled & made private plans let children stay covered to age 26. A dispute under the state FOIA caused 2 family-covering HMOs to end state contracts. **Rell still wants to force families back into contract, capitated HMOs to fund her skimpy, state-sponsored subsidized insurance plan for those under 300%. It has high co-pays, limited psychiatric care, low yearly caps on Rx & medical equipment costs, a \$100,000/yr cap on all benefits & a \$1 million lifetime cap.** Advocates want to merge the state employee plan, Medicaid & CHIP into 1 state-run plan for the uninsured & small, non-profit & local government employers. **The state dropped its QI asset test & raised QMB's income level to 207%; SLMB's to 227% & QI's to 242%--thus qualifying almost all its SPAP clients for full Part D Extra Help too. There's a large deficit.**

**Delaware**---has no spend down or risk pool; covers all (even childless & non-disabled) adults under 100%/106% if working and has a 500% ADAP level and 200% CHIP & SPAP levels. Ex-Gov. Minner, Gov. Markell & the legislature (all\_D) started a cancer care program for those under 650% & funded state medical assistance program for others under 200%; raised provider fees; and covered the working disabled. **FY 2010's deficit is projected to be \$600 million**

**District of Columbia**---has no risk pool. Income levels are 200% for parents, 100% for the childless aged & disabled, 300% for CHIP & 400% for ADAP. DC's own local non-federal health program covers all others under 200%. Mayor Fenty & the Council (both D) covered adult dentistry; raised substance abuse funding & dental fees (but other provider rates remain too low); boosted the aged/disabled asset level \$2,000 & the QMB income level to 300%; dropped the QMB asset test (the last 2 liberalizations qualified many DC Medicare patients for Pt D's full Extra Help); and enacted a bill subsidizing insurance for others under 300%..**The FY 2009 deficit is \$131 million and FY 2010's is \$806 million,** so DC postponed its plans for provider fee raises and subsidized insurance. It made \$51 million in grants to subsidize & expand low income primary care but required pre-authorization for pain, gastrointestinal & insulin over MD & druggist objections

**Florida**---Ex-Gov. Bush & the legislature (both R) got a waiver to privatize Medicaid, using premium support & HMOs. A court order granted HMO patients the right to disenroll for "good cause". The under-funded risk pool—long closed to new patients--has a Medicare supplement but no low income premium discount. The state cut the aged/disabled level from 88% to the \$674/mo SSI rate, but grandfathered -in those under 88% who are in HCB care or aren't on Medicare. The parent level is 21%/55% if working (2008) & ADAP's is 300%. The state covers dentures (but little *other* adult dentistry) & hearing aids and it **privatized some mental health care but realized few savings.** Gov. Crist (R) started an Rx discount plan; cut HMO fees \$60 million; dropped Zyprexa from the formulary; and proposed funding 14 local primary care sites & letting children over CHIP's 200% level buy in at cost. He also signed bills to make private plans cover autism care & let children be covered until 30; gut the insurance minimum benefits law; **sponsor cheap, barebones policies for the uninsured with premiums averaging \$155/mo (see [www.coverfloridahealthcare.com](http://www.coverfloridahealthcare.com) ) ; drop hospice & cut dialysis care;** cut mental health & substance abuse funds & MD fees; put more clients in HMOs; and cut Medicaid \$803 million. See [www.hpi.georgetown.edu/florida](http://www.hpi.georgetown.edu/florida) <http://ccf.georgetown.edu> & [www.floridachain.org](http://www.floridachain.org) on the waiver. See "*FL Medicaid Waiver ..*" at [www.kff.org](http://www.kff.org) & "*New ..FL. Health Plans*" at [www.cbpp.org](http://www.cbpp.org) **The Medicaid chief suggested dropping 7,800 18, 19 & 20-yr-olds & 6,800 pregnant women;** the legislature cut hospital rates \$137 million, there are long home care & HCB care waiting lists; Polk Co. dropped 12,000 from its local medical aid program, & Pasco Co. used up funds for specialist consults for low income clinic patients. Crist restored \$22 million in cuts for care of aged & disabled clients, medical care for 900 special needs children and mental health & substance abuse benefits. **He & House leaders oppose a Senate-drafted \$1 cigarette tax to raise \$1 billion for Medicaid in the budget. The legislature—opposed by the insurance lobby--was considering requiring Medigap policies to be sold to the disabled just as they are to the aged and authorizing a study of offering sliding scale premium-paid Medicaid coverage of the working disabled.**

**Georgia**---has no risk pool. Its aged/disabled level is only \$674/mo (the SSI rate), its parent level is 29%/52% if working (2008), ADAP's is 300% & CHIP's is 235%. It has a monthly numerical limit on Rx's; ended CHIP's dental surgery coverage & raised its premiums; ended coverage of adult emergency dentistry & artificial limbs and nursing home spend downs; and tightened Katie Beckett waiver admission rules. Gov. Perdue & the legislature (both R) herded patients into HMOs (but permit opt outs) & ended suspensions for late CHIP premiums Added red tape cut child enrollment 100,000. Provider fees are too low. Atlanta's Grady Hosp. & Savannah's Mem. Health Univ. Hosp. are short many millions due to unpaid indigent care, so Grady **proposed to cut its free indigent care level from 250% to 125%** (with discounts for those

under 200%). **With a \$2 billion deficit**, Perdue dropped planned HMO, hospital & provider fee raises; **was considering a \$1.2 million ADAP cut**; called for a \$186 million hospital payment cut, proposed new taxes & fines to meet CHIP, Medicaid & hospital trauma costs (but may still cut the last \$37 million); **is considering privatizing much of public mental health care**; and signed a bill subsidizing insurance for low wage small firm workers. (Discounted but high premiums will buy only “basic”, high deductible policies requiring HSA deposits). See “*New GA ..Health Plans..*” at [www.cbpp.org](http://www.cbpp.org)

**Guam**—this territory’s matching funds are capped by law far below what states get. Its local medically indigent program (MIP) pays even less than Medicaid & has almost no private providers. Scanty funds for off-island specialty care & air transport to it run out quickly. Provider fees are too low & paid too late. Only 1 dentist takes Medicaid & CHIP patients

**Hawaii**—a 209(b) state with no risk pool; a waiver covers all parents & other non-Medicare adults (even the childless & non-disabled) below 200%, but the childless aged/disabled level is merely 100%. ADAP’s is 400%. The state makes all employers insure workers & dependents and created a token SPAP for the aged & disabled (only if *already* on Medicare) under 100%. Gov. Lingle (R) & the legislature (D) raised the CHIP (to 300%) & parent (to 250%) levels; restored some adult dentistry; ended CHIP premiums but, **facing a state budget deficit, dropped premium-free CHIP for “over-income” children**—yet the legislature (D) is now trying to restore such coverage (opposed by Lingle) by funding it in several **hard-to-veto appropriation bills**. The state is herding 37,000 aged & disabled into 2 for-profit HMOs that some say are sub-par

**Idaho**—a Title XVI state, with no spend down; an aged/disabled level of about \$706 (the SSI/SSP rate), a parent level of 22%/28% if working (2008); an ADAP level of 200%; and a risk pool with no Medicare supplement or low income premium discount. The GOP legislature raised the CHIP level from 150% to 185%; subsidizes a pilot plan for poor adults & small firm workers (it has a big, unused surplus); covered the working disabled; and got CMS to let it have 3 patient classes: Parents & children; the disabled & chronically ill; and the aged—who may get differing benefits or more co-pays but also more preventive care. Gov. Otter (R) covered adult dentistry. An audit said 100+ case eligibility errors go uncorrected monthly. A budget shortfall forced Otter to cut DD facility fees (but a court barred the cuts), occupational & speech therapy; mental health; and “partial care” coverage costs \$35 million; **may require an ADAP waiting list**; but he pledged to support a health panel’s plan for the state to foster affordable private insurance for those from 25 to 65. The state froze nursing home, ICF, MD & DDS fees and **ended coverage of non-emergency patient transportation to care**.

**Illinois**—this 209(b) state’s aged/disabled level is 100% but **its main SPAP excludes the disabled, who get only a limited formulary from a 2<sup>nd</sup>, SPAP** (both have 200% levels). Ex-Gov. Blagojevich, Gov. Quinn & the legislature (all D) added HIV drugs to the latter’s formulary (only for Medicare patients); but the budget deficit forced them to drop plans to secure a Senate vote on a House-passed bill to give all disabled full, equal benefits in the main SPAP. They raised the parent level to 185% (191% if working), set the ADAP level at 400%, agreed to a court order to raise pediatric fees (yet *other* fees are too low & paid very late; **but the state pledged to pay off its huge backlog by 6/1**), offered subsidized insurance to veterans left uncovered by VA cuts, raised the CHIP level; from 200 to 300% & got 4,000 more MDs to treat children. The under-funded risk pool, often closed to new patients, has a Medicare supplement but no low income premium discount. Blagojevich first proposed raising the parent level to 300% & CHIP’s to 400%, but setting it at just 100% for all childless adults (whether aged or disabled or not) and subsidizing insurance for others under 400%. He later scaled back his plan—fully subsidizing only those under 100%; with more cost-sharing & lesser, graded subsidies up to 300%. The legislature & 2 courts spurned this 2<sup>nd</sup> plan too & he had to stop enrolling patients in it. **The deficit totals many billions**. Blagojevich resisted forcing patients into HMOs, raised the working disabled level to 350%, made private plans let children stay covered to age 26; required that Medigap policies be sold to the disabled as cheaply as the costliest ones for the aged are; and ordered an \$8 million pediatric specialist fee increase. A Cook Co. Hospital system shortfall of \$150 million threatened service cuts, facility closures, denial of free care to poor suburbanites & imposition of Rx co-pays, which the county partially defrayed by raising taxes. Then the legislature found \$640 million to subsidize safety net hospitals (with \$51 million for Cook Co. Hospital) & made hospitals give bill discounts to the uninsured. It shifted enough money from other accounts to fund a CMS-approved hospital “assessment” plan to attract \$450 million more in federal Medicaid matching. Gov. Quinn (D) supported most Blagojevich health policies, with reservations about the costly, unfunded adult eligibility expansions to 300% & 400%

**Indiana**---this 209(b) state's token SPAP for those under 150% *excludes the disabled*; and it has a much-stricter-than-SSI "209(b)" Medicaid disability rule (one must be *fatally or incurably ill*). The regular parental level is 20%/26% if working (2008). Gov. Daniels (R) & the then-all-GOP legislature raised CHIP premiums, but let Medicare patients enroll in the risk pool (which has a low income premium discount) for secondary coverage. The ACLU filed suit against an only-once-every-6-yrs denture & re-linings limit. *Advocates & the House (now D) oppose Daniels' eligibility privatization contract for Medicaid, food stamps & welfare (carried out so far in 59 of 92 counties), which they say impedes eligibility & leaves fewer clients eligible, even as the recession increases the caseload.* The ADAP (with a 300% level) has a waiting list. The state tightened its lax Medicaid spend down (but a court reinstated 12,606 wrongly-dropped clients) and raised CHIP's level from 200 to 300%. A waiver subsidizes insurance for parents below 200%--and *even* has up to 37,000 slots open to childless, non-disabled adults (over 100,000 of them *already* applied). But it *excludes* Medicare patients; since the aged/disabled level—now under \$620/mo, the US' 2<sup>nd</sup> lowest---won't rise. The insurance offers HMOs, HSAs, preventive care, few co-pays; but no dental or vision care. Patients *must* put 2%-4% of income into HSAs. Even "richer" non-Medicare adults can buy in at full cost. See <http://www.cbpp.org/1-24-08health.htm> , "Healthy IN Plan." at [www.kff.org](http://www.kff.org) & "Profiles: Healthy IN Plan.." at [www.statecoverage.net](http://www.statecoverage.net) . *There's a \$763 million deficit (also a \$1.4 billion untouched surplus), and Daniels pledged not to cut eligibility. Yet he plans to cut MD, DDS, nursing home & hospital fees 5%. The 17-hospital St. Vincent system eased its free care & discount rules for indigents & debtors. The Senate (R) is blocking a House (D) bill to spend \$23 million on breast & cervical cancer screening because they say it also widens abortion access.*

**Iowa**---a waiver covers up to 30,000 non-Medicare adults—even childless & non-disabled—under 200% for care only at 2 public hospitals. The aged/disabled level is \$674/mo (the SSI rate), the parent level is 29%/86% if working (2008) & ADAP's is 200%. The risk pool *has* a Medicare supplement but *no* low income premium discount. *The deficit is \$350 million.* Gov. Culver & the legislature (both D) made private plans let children be covered to 25, covered disabled children under 300% through the FOA & *are raising the 200% CHIP level to 300%*. He supports bills to let localities, *small firms (dropped by the House)* & non-profits join the state worker health plan; but seeks a \$10 million Medicaid cut.

**Kansas**---this Title XVI state has an aged/disabled level of \$674/mo (the SSI rate), a parent level of 27%/34% if working (2008), a 200% CHIP level & a 300% ADAP level. The legislature (R) passed a bill promoting HSAs & raised provider fees to 65%-83% of Medicare's. Blue Cross & a foundation subsidize insurance for KC-area families under \$30,000. The risk pool has *no* low income premium discount *or* Medicare supplement. Gov. Sibelius (D) covered the working disabled, "ex- disabled" & some "pre-disabled"; signed a law offering state mini-COBRA rights; raised subsidies to low income clinics; and *signed bills to give Medicaid to parents under 50% in 2009 & to all adults under 100% by 2012*, and to study insurance subsidies for those under 200%. *The legislature agreed to fund raising the CHIP level to 250%*. Fiscal juggling has averted a deficit, *but the legislature refused Sibelius' pleas to raise tobacco taxes & fund the scheduled parent & adult coverage expansions too.* Budget cuts caused backlogs of 10,000 unprocessed applications & eligibility re-determinations

**Kentucky**--- has an aged/disabled level of \$674/mo (the SSI rate), a parent level of 36%/62% if working (2008), a 200% CHIP level & a 300% ADAP level. The legislature (R Sen.; D House) dropped tough, yet unworkable, nursing home & HCB medical admission rules; capped Rx's at only 4/mo, limited occ./phys./speech therapy, x-rays & MRIs; raised co-pays; and divide Medicaid into 4 different groups: "healthy" adults; children; aged & disabled; and MR & DD patients: See <http://www.kff.org/7530.cfm> . The state raised child DDS fees. The risk pool has *no* low income premium discount *or* Medicare supplement. Gov. Brashear (D) faces *a \$456 million deficit, with increased Medicaid/CHIP costs of \$242.5 million in 2010. He signed a 60 cents tobacco tax to prevent Medicaid cuts, but an ADAP waiting list may be needed.*

**Louisiana**---has an aged/disabled level of only \$674/mo (the SSI rate), a parent level of 12%/26% if working (2008) & an ADAP level of 200% Its risk pool has *no* low income discount *or* Medicare supplement. The legislature (D) raised CHIP's 250% level to 300% (which CMS at first cut to 250%). Gov. Jindal (R) agreed to a 10% raise in CHIP funding; urged HHS to forgive a \$771 million over-payment; and seeks a waiver to put patients in HMOs & use DSH--and even some Charity Hosp--funds to subsidize insurance for parents below 50%, in N.O., Baton Rouge & Shreveport plus *all* adults below *200%* in Lake Charles. See "LA Health First" at [www.dhh.louisiana.gov](http://www.dhh.louisiana.gov) & "LA's Medicaid Waiver.." at

[www.cbpp.org](http://www.cbpp.org) Legislative leaders insist on reviewing any waiver before implementation. & MD groups fear the waiver may harm the Charity Hosp. system's finances (already short \$81 million) and the quality of & access to care. Jindal proposed \$118 million ---then \$413 million more—in health cuts, including a cut in covered Rx's from 8 to 5 monthly (unless more are “medically justified”) & 7% in MD fees. He plans to refuse \$9.5 million in federal stimulus “TMA” funds to continue Medicaid coverage of parents leaving welfare to go to work & for DSH funding for hospitals that treat the indigent & uninsured---even though LA's federal Medicaid & CHIP matching rates will likely fall about 9% by 2011, greatly reducing federal funds. But \$737 million in *other* federal funds are still going to LA hospitals, especially in N.O.

**Maine**---Gov. Baldacci & the legislature (both D) subsidize insurance for those under 300% (its premiums were at first too high & it was under-funded & under-enrolled in) and raised the childless adult Medicaid level to 100% (but *new non*-disabled, *non*-aged patients are excluded) & for parents to 200%/206% if working. The state has a 500% ADAP level, a 200% CHIP level & SPAP levels of \$1,604/mo for 1 & \$2,159/mo for 2 and gives O/P waiver coverage to HIV+ (even “pre-disabled”) patients under 250%. There's *no* risk pool. Baldacci proposed an employer “play or pay” rule, reforming hospital funding and starting risk pool & reinsurance plans. Adult dentistry is limited (but dentures are covered). There are no MSP asset tests and the QMB income level is 150%, SLMB's is 170% & QI's is 185%. Baldacci raised cost-sharing for those over 150%, cut podiatry care, imposed \$25 premiums on “richer” clients & adopted ADAP economies. **With a \$140 million deficit**, Baldacci said Medicaid was \$65 million over budget just in FY 2009, while the legislature made \$34 million in health & welfare cuts, **and he may make \$25 million more in health cuts & even start an ADAP waiting list**

**Maryland**---has an aged/disabled level of only \$674/mo (the SSI rate), a parent level of 116%, a CHIP level of 300% & an ADAP level of 500%. An appeals court upheld AARP's & Legal Aid's suit to widen the state's overly-strict nursing home, HCB waiver & at-home care medical qualification & appeal rules. A waiver merged the main SPAP with a state O/P low income clinic program into one program for *all* non-Medicare adults (even childless & *non*-disabled) under 116%. A state-sponsored, Blue Cross-run 2<sup>nd</sup> SPAP (with a 300% income level) covers some donut hole as well as Pt D premium costs, **but it *still* excludes the disabled**. Provider fees are too low. One child's untreated tooth infection spread to his brain & killed him, so UnitedHealth funded an indigent child care program at the state dental school. The risk pool *has* low income premium discounts for those under 200% but *no* Medicare supplement; and the state covers the working disabled. Gov. O'Malley & the legislature (both D) made private plans let children stay covered to 26; **raised the income level to 116% for *full* Medicaid for parents**; voted to subsidize insurance for some low paid small firm workers. It gave \$50 million to Prince Georges Co. Hosp, (where 1/2 of patients are indigents) and **Baltimore's Bon Secours Hosp. (where indigents run up big, unpaid care costs) asked the state for \$5 million to avert closure**. The state cut Medicaid \$82 million, including nursing home, home health aide, private nurse & HMO fees and community services funding for the disabled. **With a \$1.9 billion deficit, O'Malley may delay or even cancel a planned 7/09 Medicaid expansion to 116% for childless adults**, but *is* funding a \$42 million child dental fee raise (and *child* dental claims will be carved out of Medicaid HMOs to be directly state-run). Patients of overcrowded Baltimore clinics are spilling over into hospital ERs. **Blue Cross staff & some legislators proposed a \$1.6 billion “universal” coverage plan with sliding scale subsidies**. The House passed a bill to require hospitals to give free care to the uninsured under 100% & assist patients in getting medical assistance & coverage.

**Massachusetts**---has *no* risk pool. Ex-Gov. Romney (R) signed the legislature's (D) bill to expand Medicaid; require everyone to have insurance; subsidize it for small employers & workers under 300%; increase the CHIP level from 200% to 400%; and **raise the parents'—but *not* the childless aged (now only 100%) & disabled (now only 133%) —Medicaid level to 200%**. The ADAP level is 488% & the SPAP's is 188% (but up to 500% if one is on Pt D too). Gov. Patrick (D) cut cost-sharing for “Free Care” state-only-funded patients under 200%. **There's a \$1.2+ billion deficit**, so he raised Medicaid & other subsidized health programs' premiums & cost-sharing. See “*On the Road..*” at [www.urban.org](http://www.urban.org) on the reforms. Advocates are seeking to widen the insurance minimum benefits law to cover more mental health care. There's a growing waiting list to get home care aides. **Patrick raised SPAP cost-sharing by \$11 million**; and proposed to freeze MD & hospital fees; **and cut \$74 million for substance abuse, tobacco cessation & school RNs and \$20 million for pregnancy prevention & dental care**. **Even before the federal stimulus bill's COBRA subsidy began, MA did so for those under 400%**

**Michigan**---has no risk pool; an aged/disabled level of 100%, a parent level of 39%/66% if working (2008), a CHIP level of 200% & an ADAP level of 450%. It ended most adult dental, hearing aid, podiatry & chiropractic care and stopped enrolling childless non-disabled adults under 100% into its O/P care-only waiver. Gov. Granholm (D) & the then-all-GOP legislature added cost sharing---but restored adult dentistry; and raised child wellness & dental and adult preventive care fees. Genesee (Flint), Ingram (Lansing), Muskegon & Wayne (Detroit) Counties subsidize coverage for workers under 200%. **With a huge deficit**, Granholm & the legislature (R-Sen; now-D-House) passed big tax increases & spending cuts

**Minnesota**---this 209(b) state has an aged/disabled level of about 100%, a CHIP level of 275%, an ADAP level of 300% and a risk pool with low income premium discounts for those under 200% & a Medicare supplement. It raised premiums & co-pays for Medicaid, CHIP & Minnesota Care (Medicaid-subsidized insurance for parents & other adults under 275%) and denied Medicaid & CHIP to *legal* aliens. ADAP co-pays were ended. Gov. Pawlenty (R) funded an Rx discount plan for uninsured & Pt D donut hole patients; and covered the working disabled, “ex-disabled” & *some* “pre-disabled”. The legislature (D) banned hospitals from pre-screening patients for unpaid medical debt. Pawlenty wouldn’t adopt a study panel’s whole expansion plan, but did agree to raise the childless non-Medicare adult Minnesota Care level to 250% & cut its premiums. **With a \$4.8 billion deficit**, he cut hospital rates \$90 million, capped enrollment in HCB care for the disabled, but pledged to protect child health benefits. For the 2010-11 biennium, **Pawlenty proposed cutting the budget for personal aides for the disabled \$85 million & tightening medical qualifications & hours of coverage for it (2,100 patients may lose services by 1/10); saving \$36 million with stricter medical qualifications for nursing homes & HCB waivers; cutting \$42 million by slowing growth of a waiver for the disabled; cutting \$160 million from community support services & making a “ratable reduction” of \$148 million in basic medical care costs); raising some clients’ premiums; cutting \$6.8 million by ending coverage of occupational & speech therapy and audiology; saving \$38 million by dropping adult dental coverage & \$12.2 million more by ending dental critical access payments; dropping childless adults from MinnesotaCare on 1/1/10; restricting state-only medical assistance by 1/1/10 to those below 75% FPL *if* they meet a state medical incapacity “qualifier” rule; ending parents’ MinnesotaCare on 7/1/10 (they’d then have to seek regular Medicaid by meeting much lower TANF or medically needy income levels); and cutting Medicaid & MinnesotaCare parent asset levels on 1/1/10. The eligibility cuts—most of which violate the stimulus bill--were almost all voided by the legislature’s (D) budget bills, over objections by Pawlenty & GOP minority legislators (who want even deeper cuts & may veto the bills).**

**Mississippi**---has no spend down; its risk pool has no low income premium discounts & no Medicare supplement. Gov. Barbour (R) cut the aged/disabled level from \$1,000+ to \$674/mo (the SSI rate). The parent level is 25%/46% if working (2008), CHIP’s is 200% & ADAP’s is 400%. Only 2 brand Rx’s & 3 generics are allowed monthly (HIV patients get 5 brand Rx’s & there’s a suit against the limits). Barbour cut druggist fees & physical, speech & occu. therapy benefits. An in-person re-application rule retards enrollment, but he & the Senate (D) won’t drop it (except possibly for LTC patients), though the House (D) would. **There’s a budget shortfall & Medicaid needs \$168-268 million more in 2009-10** but Barbour pledged not to cut it (**yet is considering adding premiums & raising co-pays**) and to prevent cuts he seeks a **24 to 43 cent cigarette tax increase** as well as the hospital tax he’s already unsuccessfully requested several times from the legislature.

**Missouri**---a 209(b) state; its risk pool has no Medicare supplement but has a low income premium discount. Ex- Gov. Blunt & the legislature (both R) cut the aged/disabled level from 100% to 85%; ended state medical aid for those awaiting SSA disability awards; dropped the working disabled; cut the parent level to 20%/26% if working (2008); kept ADAP & CHIP levels of 300%; ended adult dental, podiatry, hearing aid & vision benefits; raised CHIP premiums; denied CHIP to those with job plans costing under 5% of income, unless they have preexisting condition limits or use up plan benefits); raised nursing home fees; restored wheelchair supplies coverage; and expanded the SPAP (its income level is 150%) to cover the disabled on Medicare. Blue Cross & a foundation subsidize insurance for KC-area families under \$30,000. Blunt’s legislation authorized 2 pilot insurance subsidy plans for adults under 185%; raised & more strictly enforces non-ER co-pays; used “premium support” to merely pay clients’ job plan premiums rather than give them full secondary Medicaid; covered foster children until 21; raised MD fees to 62.5% of Medicare rates (Public Citizen said MO fees are the US’ 4<sup>th</sup> lowest); restored hospice & working disabled coverage (but only for those with very low SSDI checks); gave birth control & screenings to women under 185%; restored adult vision (except for the aged in nursing homes), hearing aid & podiatry coverage; and let the aged & disabled opt out of HMOs. A court made the state widen

notice & hearing rights before CHIP terminations; and the state lets clinics enroll children. Gov. Nixon (D) asked the legislature (still R) to partially restore the parent level back up to 50% (which the GOP majority first rejected, but then the Senate voted to do--but possibly only with subsidized private insurance & HSAs); cover all adults' dental, hearing & vision care; liberalize CHIP premiums & coverage (also rejected, by a GOP-run legislative panel), and let over-income children buy into CHIP at cost. The deficit already forced Nixon to drop plans to raise the aged/disabled level to 100%.

**Montana**---has an aged/disabled level of only \$674/mo (the SSI rate), a parent level of 35%/58% if working (2008) & an ADAP level of 330%. Its risk pool has low income premium discounts for those under 150% & a Medicare supplement. The state raised cost-sharing, cut LTC & hospice benefits & access and cut aged & disabled MD visits to 10 yearly. Gov. Schweitzer (D) & the legislature (R Sen; tied House) ended a CHIP waiting list (but ADAP had to adopt a waiting list & other economies); seek a waiver to cover 3,000 more (maybe even non-disabled) adults; raised Medicaid's family asset level; started a SPAP for Medicare patients under 200%; raised the CHIP level from 150% to 175%; widened CHIP dental & preventive care; and made private plans offer vaccines & well-child care to age 7 & let children stay covered to age 25. An 11/08 referendum authorized spending \$20 million to raise the CHIP level further to 250% & liberalize child Medicaid

**Nebraska**---is a Title XVI state with a one-house "non-partisan", but conservative, legislature. Its aged/disabled level is 100%, its parent level is 46%/58% if working (2008), its CHIP level is 185% & its ADAP level is 200%. It dropped many welfare-to-work clients. The risk pool has a Medicare supplement but no low income premium discount. Gov. Heineman (R) covered Pt. D co-pays for HCB & board & care clients. Now with a budget deficit, he'll limit dental care to \$1,000/yr, hearing aids to 1 per 4/yr, eyeglasses to 1 per 2/yr, and adults to 12 chiropractic visits and 60 sessions of occupational, speech & physical therapy yearly. There are waiting lists for ADAP & for Ryan White Care Act-funded medical services.

**Nevada**---a Title XVI state with no spend down & no risk pool; its disabled level is a mere \$674/mo (the SSI rate); while the aged-only level is about \$710.40 (their SSI/SSP rate); its parent level is 26%/91% if working (2008), its CHIP level is 200% & its ADAP level is 400%. It covers the working disabled; its SPAP (with a 225% income level) added coverage of all the disabled & now also offers vision benefits); rejected adopting Medicaid co-pays; but did raise CHIP premiums. A \$2.8 billion deficit forced Gov. Gibbons (R) to ask the legislature (D-House; now D Senate too) to freeze CHIP enrollment, cap CHIP dental care at \$600/yr, end CHIP orthodontia & vision care, tighten nursing home, HCB waiver & at-home care health qualification rules, reduce pregnant women's coverage, cancel a \$17 million provider fee raise, cut hospital I/P fees 14%, & O/P rates 5% (causing closure of the U. Nev. at Las Vegas Hospital's dialysis & oncology clinics—with the catastrophic impact on indigent patients of the latter closing being portrayed on CBS TV's 60 Minutes program, which in turn led legislators to question hospital managers' budgeting priorities that allowed the closure), slash HCB care fees, drop Medicaid eyeglasses & dentistry for adults; reduce personal care services for the disabled; cut I/P hospital neonatal rates 24% and pediatric heart, orthopedic, kidney, cancer & psychiatric specialist fees 41%; plan another 10% cut in I/P hospital rates in 2010; and shift \$55 million from the state Indigent Accident Fund to Medicaid. The ADAP program is short \$1 million & the state cut \$750,000+ in grants to agencies providing HIV patients with case management & clinic care. A legislative budget committee killed Gibbons' proposal to abolish the state's Consumer Health Assistance office. He proposes to get more Medicare, Medicaid & insurance payments for state mental health care and pledged to shield child coverage & the SPAP from cuts. Eligibility cuts will likely be voided by the stimulus bill's rules. Even state health staff say that NV's requiring its counties to pay virtually all its DSH & other subsidies for uncompensated hospital indigent care causes skimpy & inequitable funding, leaving 5 major indigent-treating hospitals with no subsidies at all. Rising ADAP Rx costs forced the state HIV agency to cut about \$1 million for client support services in southern Nevada

**New Hampshire**---a 209(b) state with a risk pool with no Medicare supplement (but it's considering adding a low income premium discount). Its aged/disabled level is about \$687 (the SSI/SSP rate), its parent level is 41%/51% if working (2008), and the CHIP & ADAP levels are 300%. The state has a much-strictier-than-SSI "209(b)" Medicaid disability rule (inability to work for 4+ years) & doesn't cover hospices. Gov. Lynch & the legislature (both D) shifted some state LTC costs to counties & ended a DD care waiting list. Lynch cut Medicaid \$29 million (but won't reduce low income clinic fees) & sought \$2.5 million in hospital & O/P hospital-based MD fee cuts (the deficit now totals \$75+ million). The state made private plans let children stay covered to age 26 & is even considering letting 19-to-26-year-olds buy in to CHIP.

**New Jersey**---has no risk pool, an aged/disabled level of 100%; an ADAP level of 500%, and SPAP levels of \$31,850 for 1 & \$36,791 for 2.; A waiver covers others (even childless & *non*-disabled) under 100%. Gov. Corzine & the legislature (both D) required coverage of all children, made insurers let them stay on parent plans to age 31 & raised the parent level to 200%. Public Citizen said NJ provider fees were the US' lowest, so the state raised many pediatric rates. An audit questions \$52 million in school health costs & a 2nd said hospital indigency programs fail to collect millions from other liable payers. **Some assisted living facilities won't let patients stay as Medicaid patients when their own funds run out.** Blue Cross sells a cheap look-alike policy to those over CHIP's 350% level **With a \$3.5 billion deficit, Corzine proposed cuts in hospital charity & teaching programs, ADAP co-pays of \$6-\$30 per Rx for those over 100% (which the legislature is working to avert), \$2 Medicaid Rx co-pays, cutting the parent level to 150%, ending CHIP premiums for those under 200% & limiting the SPAP formulary** (its co-pays were already raised); **but raised MD fees & low income clinic funding**

**New Mexico**---has no spend down, but has a risk pool with a Medicare supplement & low income premium discounts for those under 200%. Its aged/disabled level is only \$674/mo (the SSI rate), its parent level is 30%/69% if working (2008), its CHIP level is 235% & its ADAP level is 400%. A waiver has covered any adult (even if childless or non-disabled) under 200%, **but it's at full capacity & now has a waiting list.** The state (even though federal funds to do so are available) **won't make its own Medicaid-only eligibility/disability decisions for indigents who need medical care but are awaiting delayed SSA disability rulings.** In 2007-8, Gov. Richardson (D) proposed raising the waiver level to 300 or even 400% & widening access to it; giving Medicaid to all--even childless & non-disabled--adults under 200%; and a 300% CHIP level. **But with a \$500 million deficit, he & the legislature (D) dropped reforms they'd once planned to make in the 2009 session**

**New York**---has no risk pool. A "Family Health" waiver offers managed care (with no LTC benefits) to parents under 150% & childless (even non-disabled) single adults under 65 below 100% (150% for such couples). But the childless aged level is only \$725/mo & ADAP's is 431%. The state subsidizes HealthyNY insurance for workers under 250%, but caps its Rx benefits at only \$3,000/yr. The legislature (D House; now D Senate too) excludes the disabled from the SPAP (with a 350%+ level); won't cover digital mammograms; raised Rx & MD co-pays (but capped them at \$200/yr); adopted a flexible formulary; fosters assisted living, chore aide & adult day care; makes counties pay 1/2 of state Medicaid costs (but caps their increases at 3.5%/yr); lets providers deny services to those who don't meet co-pays; funded HIV day health care; covered colon & prostate cancer patients under 250%; covered the working disabled under 250%; required hospital bill discounts for those under 300% & banned taking homes from debtors; passed mental health parity; and raised CHIP's level from 250 to 400%. Public Citizen said MD fees were the US' 2<sup>nd</sup> lowest, so **the state is raising its fees to 70% of Medicare's.** Ex-Gov. Spitzer (D) started to let small firms that can't afford insurance buy into FamilyHealth at low rates. **With a \$15+ billion deficit, Gov. Paterson (D) signed a \$1 billion+ cut in hospital & nursing home fees; sponsors 30% to 60% Rx discounts for the disabled & those over 50 with incomes under \$35,000; raised asset levels for all clients (\$13,050 for 1, \$19,200 for 2, etc); ended MSP asset tests; and seeks to cut HIV care \$6 million and force NYC HIV & all dually eligible patients into HMOs. But his attempt to drop SPAP & state Medicaid coverage of Rx's that Part D plans don't cover failed.** He proposed making private plans let children stay covered to age 29 and his budget **raises the level for all adults to 200%.** **Short \$316 million, NYC's hospital system plans to cut child psychiatric & O/P Rx benefits and close some clinics; and NYC will also have to end its own long-standing, non-Medicaid schoolchildren's dental care program**

**North Carolina**---has no risk pool; covers the working disabled; and covers only 8 Rx's a month (plus 3 or more on an exception basis). Its aged/disabled level is 100%; its parent level is 37%/51% if working (2008); and its CHIP level is 200%. The SPAP-- which excludes the disabled--subsidizes Pt. D premiums for those under 175% not on full Extra Help. The UNC Hosp. eased its indigent care rules, but asks for up-front cash co-pays. Provider fees are too low. The state had made counties pay 15% of Medicaid costs, but ex-Gov. Easley & the legislature (both D) shifted their share to the state as of 7/09. They raised ADAP's level to 250%, passed limited mental health parity and started a risk pool which excludes Medicare patients & has no low income premium discount. **With a \$2 billion deficit, Gov. Perdue (D) proposed closing 50 state psychiatric hospital beds and saving \$20.8 million with more generics use & getting higher rebates from drug makers. A Senate committee voted to freeze (already too-low) MD & hospital fees and cut the home care budget by 50%.**

**North Dakota**--this 209(b) state has a risk pool *with* a Medicare supplement but *no* low income premium discount. Its aged/disabled level is 100%, its parent level is 45%/62% if working (2008) & its ADAP level is 400%. A study by the GOP legislature urged a provider fee raise. Gov. Hoeven (R) signed bills to cover disabled children via the FOA (only up to 200%) & raise the CHIP level from 140% to 150% (but not yet raised as of 4/09), **He then proposed boosting it again to 200% (which the House rejected)**, streamlining access to nursing homes, HCB waivers & home care; and raising MD fees

**Ohio**--this 209(b) state with *no* risk pool cut the parent level from 100% to 90% & has a 500% ADAP level. It slashed adult dental funds 50%; cut secondary fees for dual eligibles; herded most patients into HMOs (some with no infectious disease specialists); slashed medical assistance for 15,000 awaiting SSA disability awards; let providers turn away those who don't meet co-pays; and passed mental health parity--**but kept its aged/disabled level at \$534/mo (the US' very lowest )**. Gov. Strickland (D) & the legislature (R-Sen; D House) **raised the CHIP level from 200 to 300%** (even though a budget shortfall makes funding difficult); and covered disabled children under 500% via the FOA. Strickland got a waiver to cover assisted living & lets "over income" children buy into CHIP. He cut county eligibility funding and there are prior authorization backlogs for wheelchairs & medical supplies. **With a big deficit**, the Governor delayed spending \$65 million to raise hospital, MD & DDS fees and restore adult dentistry; proposed \$1.3 billion in "fees" on medical facilities & HMOs to fund Medicaid; and **his health chief plans \$80 million more in cuts (maybe even in Rx coverage)**. He proposed making private plans let children stay covered to age 29 & extending state mini-COBRA rights to small firms' ex-workers

**Oklahoma**--this 209(b) state has a risk pool with *no* Medicare supplement *or* low income premium discounts. It cut the aged/disabled level from 100% to about \$720 (the SSI/SSP rate). The parent level is 32%/48% if working (2008) & ADAP's is 200%. It abolished its parents & children spend down, has a 3-Rx's/mo limit & doesn't cover hospices. Gov. Henry (D) covered the breast/cervical cancer & working disabled groups, and got a waiver to subsidize insurance for workers & spouses under 200% in participating small firms; employer eligibility was later widened & college pupils under 200% can now enroll. The legislature (R) made the insurance subsidy, more affordable & cheaper (**but with barebones coverage exempt from the minimum benefits law**); authorized Medicaid coverage of assisted living; streamlined enrollment red tape, **raised the CHIP level from 185 to 300%**; may make Medicaid a defined contribution plan; fosters employer plan & maybe even Medicaid HSAs; gutted the insurance minimum benefits law; and promotes primary & home care over ERs & nursing homes--but widened mental health coverage, **raised MD & DDS fees** & had planned to raise nursing home fees in 11/08. **The deficit is \$114 million and ADAP adopted cost-containment measures**

**Oregon**--this Title XVI state's risk pool has no Medicare supplement but *has* low income premium discounts for those under 185%. Its income levels are \$674/mo for the aged & disabled (the SSI rate), 100% for parents, 185% for CHIP & non-Medicare adults' subsidized insurance and 200% for ADAP. An anti-tax referendum cut eligibility (except for HIV & transplant cases), limited adult dentistry & ended adult vision care. The OR Health Plan waiver--with limited benefits for non-Medicare (even childless & non-disabled) adults under 100%--is again taking applications but enrolls only those few who then win a random lottery. The ADAP has some cost-sharing. Gov. Kungoloski & the legislature (both D) started an Rx discount plan, & took the FOA option. The City of Portland will cover its poor children if they can't qualify for CHIP.

**Pennsylvania**--has *no* risk pool, an aged/disabled level of 100%, a parent level of 27%/36% if working (2008), a CHIP level of 300% & an ADAP level of 350%. It subsidizes "AdultBasic" insurance (**with *no* mental health or Rx benefits & a waiting list of 118,000+**) for non-Medicare adults under 200%, With income levels of \$23,500 for 1 & \$31,500 for 2, **the SPAP excludes the disabled**. Gov. Rendell (D) covered the working disabled & sought to return HMO Rx benefits to state control to get \$95 million in drug maker rebates. The House (D) voted to end AdultBasic's waiting list & open it to cover many more patients plus Rx's & mental health. Senate (R) leaders oppose this & favor *only* raising low income clinic subsidies, tax credits for HSAs, making insurers let grown children stay covered longer, applying COBRA to small firms & starting a risk pool. To salvage the AdultBasic expansion, Rendell offered to drop new taxes, cover fewer new patients & exclude dentistry, eyeglasses & hearing aids but GOP Senate leaders twice spurned these compromises & later even **added 1 seat to their Senate majority in 11/08. Rendell then proposed doubling AdultBasic enrollment, later said he can & will now enroll 16,000 more waiting list patients in it & again sought to somehow add an Rx benefit to it. But he is cutting**

hospital rates \$75 million & Public Citizen says PA MD fees are the US' 5<sup>th</sup> lowest. The state deficit is \$2.3 billion & shortfalls may force Philadelphia's "free" city clinics to adopt sliding scale fees for visits & Rx's & close some clinic sites

**Puerto Rico**---its matching rate is capped below what states get. It claims there's no ADAP waiting list (its income level is 200%). ADAP reviews & audits report inadequacies in care, unaccountability, mis-management & fiscal irregularities

**Rhode Island**---has no risk pool, an aged/disabled level of 100%, a parent level recently cut from 185% to 175%, a CHIP level of 250% & an ADAP level of 400%. It covers the working disabled and its limited formulary SPAP covers the aged but **only those disabled over age 55** (its income levels are \$37,167 for 1 & \$42,476 for 2). Gov. Carcieri (R) signed bills to subsidize insurance for low-paid small firm workers; gut the insurance mandated benefits law); require free & discounted hospital care for those under 200% & 300%; and ban taking homes from hospital debtors. Public Citizen says MD fees are the US' 3<sup>rd</sup> lowest. **Big deficits** moved him to secure a CMS waiver to get extra up-front federal funds:: under it, the state would divert 12% of nursing home cases to cheaper home care—in return for a cap on future federal funds that could deny LTC to all but "highest need" clients & raise premiums. The legislature (D) raised adult daycare co-pays; dropped legal alien children & 7,400 adults; and agreed to launch the waiver (but its members are preparing to closely monitor it). See [www.povertyinstitute.org](http://www.povertyinstitute.org) & "*RI's Medicaid Proposal...*" at [www.cbpp.org](http://www.cbpp.org); and email [lkatz@ric.edu](mailto:lkatz@ric.edu) for a critique & details. **The Medicaid chief said even more cuts (e.g., dropping eyeglass benefits & 40,000 more clients) may come. Carcieri proposed abolishing the SPAP for those over 65; ending parent dental care; and cutting nursing home fees by 5%.**

**South Carolina**---has no spend down. Its aged/disabled level is 100%, its parent level is 49%/90% if working (2008) & its ADAP level is 300%. Its risk pool has a Medicare supplement but no low income premium discount. Gov. Sanford & the legislature (both R) limited Rx's to 4/mo; are moving patients into HMOs (yet allowing opt-outs); but raised the CHIP level to 200%. The SPAP has a 200% level but excludes the disabled. **There's a \$250+ million deficit. The legislature cut transitional Medicaid coverage from 2 to 1/yr for welfare clients going to work; ended extra \$30/mo & Soc. Sec. COLA disregards for the aged & disabled & adult dental coverage; cut mental health care; closed an HIV program to new clients; cut home health, hospital & LTC funds and SPAP benefits but won't drop cancer screenings & care or hospice care or cut SPAP benefits as was planned. It will also revoke eligibility—but maybe not all benefit-- cuts, as the stimulus bill requires Sanford proposed to restore \$137 million in health funds, foster cheap, barebones insurance, cap child enrollment & push more generics use---and (partially) relented on refusing (some, but not all) stimulus funds (although his GOP Senate allies back a bill to divert \$400 million in US Medicaid stimulus funds to public schools instead). The House voted for a 50 cent cigarette tax to fund a 75% insurance subsidy for workers under 200% & a 67% subsidy for those in firms of under 25.**

**South Dakota**---has no spend down & a risk pool with no low income premium discount that excludes Medicare patients. Its aged/disabled level is \$674/mo (the SSI rate), its parent level (working or not) is 54% (2008) & ADAP's is 300%. A health study panel suggested some coverage expansions to Gov. Rounds & the legislature (both R), but he won't raise the pregnant woman level to 200% or CHIP's 200% level to 250%. They cut \$2 million+ from a program that treats infant & toddler developmental problems (which had to be reversed to meet the stimulus bill's maintenance of effort mandate), **but still plan to drop a provider fee raise & end adult dental coverage. The 2009 deficit is \$52 million & 2010's is \$81 million**

**Tennessee**---Gov. Bredeson (D) & the legislature (R) dropped 191,000 adults, but no children. The aged/disabled level is \$674/mo (the SSI rate), the parent level is 73%/134% if working (2008) & the ADAP level is 300%. Except for pregnant women, children & HIV+ patients, MD visits were cut to 10; hospital days to 20 yearly; and Rx's to 2 brand drugs/mo + 3 generics/mo except for certain serious conditions. The state raised CHIP's level to 250%; revived a risk pool (with no Medicare supplement, but with a premium discount for those below 200%), has a SPAP covering up to 5 Rx's/mo for non-Medicare clients under 250%; and subsidizes insurance for those under a \$55,000 level. Except for also covering diabetic Rx's & supplies & more psychiatric Rx's, CHIP uses Medicaid's Rx rules. The spend down was restored, but Bredeson cut its budget & that for home care & medical equipment and didn't fund "safety net" benefits he'd promised the disabled who lost TennCare. **The deficit may be \$800+ million & require \$400 million more in cuts. He got a US court to dissolve a 20-year-old order so he can drop up to 150,000 grandfathered clients ineligible under regular rules. The Mayor proposed a 10% cut in the Nashville city subsidy to its safety net General Hospital, which treats many indigents**

**Texas**—has a risk pool *with* a Medicare supplement & but *no* low income premium discount. The aged/disabled level is \$674/mo (the SSI rate), the parent level is 13%/27% if working (2008) & the ADAP & CHIP levels are 200%. Gov. Perry & the legislature (both R) dropped coverage of CHIP prostheses, physical therapy & private duty nursing; raised CHIP co-pays & premiums; cut Medicaid home health; ended adult chiropractic & podiatry care; capped Medicaid Rx's allowed monthly; moved patients into HMOs (but, after many quality of care questions, cancelled one big HMO contract for the aged & disabled); began contracting-out eligibility determinations (with many complaints) and restored Medicaid mental health, vision & hearing aid coverage and CHIP mental health & dentistry (limited *adult* dentistry is covered too, but dentures & multiple extractions require pre-authorization); raised CHIP time limits; required some mental health parity in private plans; started a SPAP just for HIV clients; and seeks a waiver [to fund insurance for parents under 133%, childless, non-disabled adults under age 65 below 100%--and eventually even \*all\* non-Medicare adults under 200%](#). See <http://www.hhs.state.tx.us/Medicaid/Reform.shtml>. A court order to improve children's care requires spending \$700 million+ more, including fee raises for MDs & DDSs (but *adult* rates still remain too low). **The Senate just voted for a pilot program as a 1<sup>st</sup> step toward conditioning MD & hospital payments on patient outcomes, with the support of MDs.**

**Utah**—a Title XVI state with a risk pool--*with* a low income premium discount, but *no* Medicare supplement. Its aged/disabled level is 100%, its parent level is 48%/68% if working (2008), CHIP's is 200% & ADAP's is 400%. A waiver gives limited O/P care, with big co-pays, to non-Medicare adults (even if childless or non-disabled) under 150%. **The state proposed to drop 20,000 of them, but then relented.** The legislature (R) ended coverage of podiatry; audiology & speech therapy; chiropractic care; outdoor wheelchairs; and adult eyeglasses; but restored adult dentistry (*only* for the aged & disabled & *only* for 1 year), yet **may still cut CHIP dentistry & tighten spend down, pregnant women's & family coverage.** It also had been considering subsidized insurance for 5,000 more workers & 1,000 more children. See "*New CHIP/UPP Waiver..Paper*" at [www.healthpolicyproject.org](http://www.healthpolicyproject.org) for details. Gov. Huntsman (R) already subsidizes premiums of some small firm workers under 200% & set up an insurance reform board that may suggest community rating, banning pre-existing condition exclusions, cheaper policies **with no costly benefits mandates & malpractice "reform"** A 2<sup>nd</sup> legislative health panel would **gut the minimum services law**; ban pre-existing condition rules; start a reinsurance plan; **get insurers to offer small firms & the unemployed barebones, cheaper-than-COBRA policies (already enacted); and urge employers to give workers HSAs instead of regular insurance**—all of which the legislature is considering. **The deficit is \$272 million**

**Vermont**—has an aged/disabled level of 125% & a parent level of 185%/191% if working. The CHIP level is 300%, ADAP's is 200% & the SPAP's is 175%. The state subsidizes health insurance for all others under 300%. The legislature (D) reversed most of Gov. Douglas' (R) adult dental cuts (but dentures still aren't covered & there's a \$495/yr cap). A waiver, in return for more funds, puts patients into HMOs & favors HCB care over nursing homes--but also caps future federal matching funds. There's *no* risk pool. There's a **\$100+ million shortfall for this year & the next.** Douglas said he'd rather cut services than eligibility but **seeks more cost-sharing for "richer" clients & an Rx dispensing fee cut.**

**Virginia**---a 209(b) state with *no* risk pool. Its aged/disabled level is 80%, its parent level is 24%/30% if working (2008), the CHIP level is 200% & ADAP's is 300%. Gov. Kaine (D) covered the working disabled & started a SPAP for HIV+ Medicare patients under 300%, but dropped plans for 100% parent & 300% CHIP levels & subsidized insurance for those under 200%. The legislature (D-Sen; R-House) killed Kaine's pilot subsidized insurance plan for those under 200%, but he got a foundation to fund it. **With a \$2.9 billion deficit,** he cut health & welfare administrative costs \$87 million; defunded a small indigent health program; and **sought a \$400 million Medicaid cut, mostly in hospital & nursing home rates.** But the legislature restored millions for hospital & nursing home fees; found \$7.5 million to fund 400 more HCB waiver slots for the mentally disabled; **but voted to drop mandated benefits minimums for certain small firm employee groups.**

**Virgin Islands**--its matching rate is far below what states get. Some say its ADAP (with a 400% level) has a waiting list.

**Washington**--its risk pool *has* a Medicare supplement & a low income premium discount for those under 300%. Its aged/disabled level is about \$720 (the SSI/SSP rate), its parent level is 38%/77% if working (2008) & ADAP's is 300%. Gov. Gregoire & the legislature (both D) covered Pt. D Extra Help co-pays; passed mental health parity; and made private

plans let children stay covered to 25. Facilities evicted 75+ assisted living clients due to low fees. **With a \$9 billion deficit**, the state can't afford to raise CHIP's level from 250 to 300%--but may let over-income children buy into CHIP at full cost. **The Senate proposed cutting the BasicHealth budget by 42%** (removing 50,000 patients from this state-subsidized insurance for non-Medicare adults under 200%), **state-funded Gen. Assistance-Unemployable medical assistance by \$190 million** (dropping 3,000 more), **hospital DSH payments by \$107 million**, & **nursing home rates by \$38 million**, and **slashing brand name Rx druggist** (who then got an injunction blocking their cuts), **pediatric & HMO fees**. **The state may end coverage of adult dentistry & colorectal cancer screening**. There's a backlog of 1,800 as-yet-undelivered Medicaid eyeglasses. **Legislators are considering authorizing a hospital- & union-backed referendum to raise the sales tax rate by .03% to bring in \$381 million to avert Medicaid & other health program cuts and boost subsidies for low income clinics**

**West Virginia**--has an aged/disabled level of \$674/mo (the SSI rate), a parent level of 17%/34% if working (2008) & an ADAP level of 250%. It covers only 4 brand Rx's/mo (+6 generics). Its risk pool has no Medicare supplement or low income premium discount (but is considering one). It cut medical equipment & transport funds; denies *adult* dental care; and didn't properly adopt nursing home & HCB medical admission rules (which *still* limit HCB access). Gov. Manchin & the legislature (both D) raised CHIP's level to 220%; sponsor an Rx plan for non-Medicare adults under 200%; and offer patients extra mental health care & Rx's to sign "personal responsibility" contracts. See the "Mountain Health Choices" reports at [www.familiesusa.org](http://www.familiesusa.org) & (for the latest critique) [www.hsc.wvu.edu/wvhealthpolicy](http://www.hsc.wvu.edu/wvhealthpolicy). The state plans to raise child dental rates (but adults get only extractions) & **the legislature voted to raise some private—yet not any public--mental health provider fees: Manchin hasn't yet decided to sign or veto it. He has been---and (despite no action so far) insists he still is-- considering a proposal (see "A Shot in the Arm ..." at [www.familiesusa.org](http://www.familiesusa.org)) to raise the parent level, first to 50% & maybe later to 100% (and possibly even all childless adults too); but some advocates have rising doubts this will occur**

**Wisconsin**--has an aged/disabled level of about \$757.78 (the SSI/SSP rate), a parent level of 200% & a 300% ADAP level. The SPAP (with a 240% level) **excludes the disabled**. The risk pool has a Medicare supplement & premium discounts for those under \$25,000. Gov. Doyle (D) raised the parent level from 185 to 200% & CHIP's from 185 to 300% (for which the state can now get matching funds). The House (then R) agreed to raise the CHIP & parent--but not the aged & disabled—levels, make private plans cover child hearing aids & cochlear implants & **extend basic care** (with physicals & generics--**but not brand name Rx's, home health care or most medical equipment**) to non-Medicare childless (even non-disabled) adults under 200%. **The deficit is \$700 million**. Doyle proposed a hospital tax to generate \$900 million more to raise hospital fees & may seek a House (now D) vote on the Senate (D)-passed "Healthy WI" universal coverage plan

**Wyoming**--has no spend down; an aged/disabled level of about \$699 (the SSI/SSP rate), a parent level of 40%/54% if working (2008), a CHIP level of 200% & an ADAP level of 332%. Its SPAP covers non-Medicare patients under 100%. The legislature (R) added CHIP mental health, vision & dental care; and was even considering raising MD fees. Gov. Freudenthal (D) **added** a low income premium discount for those under 250% to the risk pool (which also has a Medicare supplement) and **proposed developing a cheap, pilot, yet barebones, state-sponsored health insurance for the uninsured**.

## **SOURCES AND RESOURCES:**

**See [www.familiesusa.org](http://www.familiesusa.org) for "Est. New Federal Funding for Medicaid by State, 2008-11" in the American Recovery & Reinvestment Act, including its enhanced federal matching rates & state maintenance of effort mandates--for which CMS' guidelines are summarized under "what's new" at [www.healthlaw.org](http://www.healthlaw.org). Also see "Health Care & Medicaid: Weathering the Recession" at [www.kff.org](http://www.kff.org) on grave funding barriers states still face in maintaining & extending coverage.**

**For the 48 states & DC, 100% of the 2009 federal poverty level (FPL) is \$10,830 yearly (\$902.50/ mo) for one plus \$3740 yearly (\$311.67/mo) for each add'l person; see the Assist. Sec for Plan. & Eval. pages at [www.dhhs.gov](http://www.dhhs.gov) for AK & HI. For 2008, 100% of the FPL was \$10,400/yr (\$866.67/ mo) for one & \$3,600/yr (\$300/mo) more for each add'l person. The 2009 SSI rates (not including state supplementary payments, or SSPs) are \$674/mo for 1 person & \$1.011 for 2. Email [sherry.barber@ssa.gov](mailto:sherry.barber@ssa.gov) for "State Asst. Programs for SSI Recips, 1/08"(the latest compilation) on state Medicaid rules for SSI recipients, state supplement (SSP) amounts & state Section 1616, 1634 & 209(b) arrangements**

See “Building..Medicaid’s Role in a Reformed Health..System” at <http://ccf.georgetown.edu> and “Improving Medicaid As Part of Building on the Current System to Achieve Universal Coverage” at [www.cbpp.org](http://www.cbpp.org).

“Medicaid Benefits...8/07” at [www.kff.org](http://www.kff.org) shows states’ chiropractor, podiatry, eyeglasses, optometry, hearing aid, hospice, psychologist, prosthetics, home health, medical equip, Rx. & OTC drugs and physical, occupational & speech therapy coverage in 2003-6; see “Adult Benefit Chart” at <http://www.medicaidental.org> for adult dental coverage

See guides on blocking bad state plan amendments at [www.healthlaw.org](http://www.healthlaw.org). To ensure that plan changes/waivers get approved by legislatures & not just Governors & state agencies, see <http://www.nachc.com/advocacy/Files/state-policy/model520state520legislationh.pdf> & [http://www.nachc.com/advocacy/Files/ModelStateLegislation-AppropriationsRiderssr031406\\_RS-.pdf](http://www.nachc.com/advocacy/Files/ModelStateLegislation-AppropriationsRiderssr031406_RS-.pdf); and a state health reform/expansion guide at [www.communitycatalyst.org](http://www.communitycatalyst.org).

The new “National ADAP Monitoring Report, 2009” at [www.kff.org](http://www.kff.org), lists state income & asset levels in Table XIX and their policies to coordinate with Part D in Table XXVI. The Report also covers state cost sharing rules & medical criteria and/or prior authorization for special or costly drugs. State formularies are listed in a 2nd adjacent document. See “The AIDS Drug Assist Program..” at [www.theaidsinstitute.org](http://www.theaidsinstitute.org) for state program analyses & reform suggestions & “ADAP Watch” at [www.NASTAD.org](http://www.NASTAD.org) for news of state waiting lists, cost containment measures & state websites

State Rx co-pay data is in “State Medicaid Drug Reimb.” at [www.ascp.com](http://www.ascp.com). See “Pharm. Benefits [in] State [Medicaid]” at [www.npcnow.org](http://www.npcnow.org) on formularies, fees, OTC coverage, prior auth., prescrib/dispensing limits & co-pays. Still another of a long series of studies (this one by Rand) finds that higher Rx co-pays delay & undermine patients’ treatment & Rx therapy: see “Cost Sharing...” at <http://archinte.ama-assn.org/cgi/content/full/169/8/740>. (\$15 fee).

A “Medicaid to Medicare Fee Index in “Medicaid & CHIP” at “50 State Comparison” in [www.statehealthfacts.org](http://www.statehealthfacts.org) lists states’ Medicaid MD fees as compared to Medicare’s, showing most to have risen since 2003--but still not nearly enough to fully equal the Medicare fee schedule, much less even-higher private insurance rates & market prices.

See <http://www.ncsl.org/programs/health/SPAPCoordination.htm>, <http://www.medicare.gov/spap.asp> & “The Role of..[SPAPs In]...Pt D” (7/07) at [www.kff.org](http://www.kff.org). Email [jacoburn@hdadvocates.org](mailto:jcoburn@hdadvocates.org) for chart on how drug makers’ Patient Assist. Programs (PAPs) mesh with Pt D. The 6 drug classes excluded by Pt D can be covered by Medicaid; such state coverage is charted at [www.medicareadvocacy.org/PartD\\_ExcludedDrugsbyState.htm](http://www.medicareadvocacy.org/PartD_ExcludedDrugsbyState.htm) (12/1/05 report at “News” icon)

See “Individual...Models of LTC” at [www.statehealthfacts.org](http://www.statehealthfacts.org) for state coverage of HCB waivers, home health, personal aides & related care & “Money Follows the Person 101” at [www.nscl.org](http://www.nscl.org). Email [lsmetanka@nccnhr.org](mailto:lsmetanka@nccnhr.org) for 2006 state personal needs allowances (PNAs) for SNF & ICF patients and those in SSP-funded board & care homes. Two studies say HCB care can save money over nursing homes: see “Do[es] Non-Instit.. LTC..Reduce..Spending?” at [www.healthaffairs.org](http://www.healthaffairs.org) (1 & 2/09) & “Taking the Long View: ..HCB ..[Care Is]..Cost Effective..” at [www.aarp.org/ppi](http://www.aarp.org/ppi)

See [www.naschip.org](http://www.naschip.org) on state risk pools & to order “Comprehensive Health Ins. for High Risk Individuals: A State-by-State Analysis...”[2008] on funding, eligibility, benefits, Medicare supplements, premiums & low income discounts.

See “From CANN” in “Other Organizations’ Materials” under “Library” at [www.healthlaw.org](http://www.healthlaw.org) for “Painless Ways To Deal With..Medicaid Budget Shortfalls” to avoid eligibility & benefits cuts; “State..Aged/Disabled ... Income Levels” & “State...Parent..Income Levels”; a health/Medicaid “Glossary”; and “2002 VA Health...Benefits”