

Partnership for Medicaid Partnership for Medicaid

NEWS RELEASE

Medicaid is Broken

Congress, Obama Administration Must Work Together this Year to Protect America's Safety Net

WASHINGTON, D.C. (January 27, 2009) — Members of The Partnership for Medicaid today said that Congress and the Obama Administration must work together this year to strengthen the Medicaid system if the nation is to achieve real health reform this year.

The Partnership for Medicaid is a non-partisan, nationwide effort by safety net providers and other key organizations dedicated to preserving and improving the federal Medicaid and SCHIP programs which together provide essential health care services to more than 63 million people.

Thomas Johnson, Chair of the Partnership for Medicaid and Executive Director of Medicaid Health Plans of America, said the organizations represented by the Partnership for Medicaid are encouraging Congress to take steps to preserve and strengthen the federal safety net, especially in this time of need.

“Adequate funding, and maximum provider participation, is essential for the safety net to continue to meet the increasing needs of those who need access to quality healthcare,” Johnson said.

During a Congressional briefing today on Capitol Hill, **Dr. Colleen Kraft**, Immediate Past President of the American Academy of Pediatrics, Virginia Chapter, said that members of the Partnership believe that during economic downturns and increased unemployment, more people rely on Medicaid. Yet under the program's financing mechanism, Medicaid is most vulnerable to funding shortfalls when circumstances create the greatest need.

“Medicaid is broken,” Dr. Kraft said. “States rely on federal tax dollars to support their programs as well as state tax dollars. Yet, many in Washington forget that when the economy

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slows, states get fewer tax dollars. So right at the time when people are losing their jobs and need Medicaid, states have less money to fund Medicaid and the children who depend on it.”

Others participating in the Jan. 27 briefing were **Rep. Diana DeGette (D-Col.)**; **Arthur A. Gianelli**, President and CEO, Nassau Health Care Corporation, New York; **Amy Wilde**, Commissioner, Meeker County, Minn., and chair of the National Association of Counties (NACo) Medicaid and Indigent Care Subcommittee of the Health Steering Committee; and **Bernadette Hicks**, a Medicaid enrollee from Neighborhood Health Plan of Rhode Island.

Commissioner Wilde said that counties are unique in their responsibility to both finance and deliver health services. Counties provide direct care services through local health departments, hospitals and other healthcare facilities. Additionally, counties in most states are required to pay a portion of the non-federal share of Medicaid costs for their residents.

“Now is not the time to implement the seven new Medicaid rules which would reduce eligibility, cut benefits and reduce compensation to county workers who are handling a growing enrollment and higher Medicaid caseloads,” Wilde said. “Increasing worker caseloads and decreasing wellness benefits by implementing the new rules will only further damage an already fragile infrastructure.”

Working in a bipartisan manner with affected constituency groups, the Partnership provides viable solutions to improve the quality and delivery of services and to constrain costs without undermining the program’s fundamental goals. Above all, the Partnership is a unified voice to ensure that Medicaid continues its crucial role as a strong safety net for vulnerable Americans. For more information, contact: Jennifer McGuigan Babcock, Association for Community Affiliated Plans, at 202/204-7510.

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