



Medicaid Watch: State Medicaid and Health Cuts & Expansions
Sept. 1, 2009; See pp.13-14 for updated sources & resources on state health programs

National Snapshot Summary

States made or are **considering cuts or expansions** in **AL, AR, CA, CO, CT, FL, GA, ID, IL, IN, KS, LA, ME, MD, MA, MI, MN, MO, MT, NE, NV, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA, WA, WI & WY.**

Almost all states already pay far-too-low fees to MDs, DDSs, hospitals & nursing homes; **and now many states are slashing those rates 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, TN, TX and WV**

More & more states deny adults non-emergency dental care & even dentures.

There are ADAP waiting lists in **IN, MT, NE & WY** & maybe in **AZ, AR, CA, HI, ID, KY, ME, NV, NC & OH**; **AL** faces a big cut & enrollment cap **State Pharm. Asst. Progs. (SPAPs)** in **AK, IN, NC, NY, PA, SC & WI** **exclude** the disabled and **HI, IL, MD, MO, MT, RI & TN** deny them full coverage.

21 of the 35 state-subsidized health insurance high risk pools—**still fail to permanently fund subsidized, discounted 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) & the ADAP level is 250%; it 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) got the legislature (D) to cut CHIP \$5+ million & HIV care \$2+ million (thus threatening \$10 million more in US HIV funds & perhaps even a freeze on new CHIP enrollments) but it over-rode his veto of a bill raising the 200% CHIP level to 300%** The risk pool has **no** low income premium discount **or** Medicare supplement.

Alaska---this Title XVI state has **no** spend down; an aged/disabled level of \$1,036 (its SSI/SSP rate), a parent level of 80%(2008), a 300% ADAP level, a risk pool **with** a Medicare supplement but **no** low income premium discount; a SPAP for those under 175% **that excludes the disabled**. Ex-Gov. Palin, Gov.Parnell (both R) & the legislature (R House ; tied Sen) raised the CHIP level to 175%. **AK briefly stopped taking new HCB waiver & personal care cases; but again accepts personal care cases & now even HCB waiver cases**

Arizona--has **no** spend down or risk pool & covers parents under 200% & childless (even **non**-disabled) adults under 100%; its CHIP level is 200% & ADAP's is 300%. The GOP legislature killed ex-Gov. Napolitano's (D) program to let the disabled buy into Medicaid during Medicare's 2 yr waiting period & cut funds for home personal care services. Gov. Brewer (R) faces **a \$3 billion deficit, dropped 200 Rx's from ADAP's formulary, cut HIV funds for southern AZ & required an ADAP waiting list, but blocked a CHIP coverage cut.**

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

1773 "T" Street, NW
Washington, DC 20009

Chief Executive Officer:
William E. Arnold

Phone: (202) 588-1775

Fax: (202) 588-8868

Web: www.tiicann.org

Email: weaids@tiicann.org

Board of Directors

Jeff Bloom

Eric Camp

Donna Christensen MD MOC

Jeff Coudriet

Wayne A. Duffus MD PhD

Richard Fortenbery

Thomas J. Fussaro

Kathie M. Hiers

Maurice Hinchey MOC

Gary R. Rose, JD

MikeLynn Salthouse RN

Michael G. Sension MD

Katherine C. Stuart

Michael J. Sullivan

Valerie Volpe

Krista L. Wood

Thomas P. McCormack
Editor, MEDICAID WATCH

MedicaidWatch is supported by unrestricted educational grants from GlaxoSmithKlien, Abbott Laboratories, Amgen, Gilead Sciences, Merck & Co., Bristol Myers Squibb, Boehringer Ingelheim & Tibotec Therapeutics

working (2008), an ADAP level of 500%, a numerical Rx limit, but subsidizes insurance for small firm workers below 200%. Gov. Beebe & the legislature (both D) raised DDS fees, **covered most adult dentistry** & raised tobacco taxes to fund low income clinics & increase the CHIP level from 200 to 250%. The risk pool has no low income premium discount or Medicare supplement. Medicaid needs \$111 million more in FY 10 & **an ADAP waiting list may soon be required.**

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' 10th lowest. The state covers the aged/disabled under about 135%, parents below 100% & prostate cancer patients under 200%. Its ADAP level is 400% & the CHIP level is 250%. **To meet a \$26 billion deficit**, Gov. Schwarzenegger (R) & the legislature (D) cut Medicaid by \$1.313 billion & CHIP by \$129 million. They raised family premiums, capped dental benefits at \$1,500-\$1,800/yr, made families re-apply each 6 months, stopped paying Pt B premiums for Medicare patients on spend downs of over \$500/mo and **ended coverage of teeth cleaning, optometric exams, podiatry & some mental health visits. The budget deal denies non-emergency care to legal aliens, cuts the 100% parent level to 72%, drops many 2nd "unemployed" parents, cuts provider fees & in-home care worker wages 10% (but courts barred the pay cut), slashes HIV services \$80 million & may require ADAP Rx co-pays. Big CHIP cuts may nearly double the number of un-covered children & force a CHIP enrollment freeze and/or waiting list**

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 anyone over 60 is \$699 (the SSI+SSP rate for them) but only \$674/mo (the SSI rate) for the younger disabled. The ADAP level is 400%. The Denver Med. Ctr. & the U. of Col. Hosp. cut their indigent care programs and they & the *state* Indigent program (for the childless poor awaiting SSA disability awards, **whose \$200/mo welfare stipends the state may have to end**) and boosted co-pays. The state raised the risk pool's low income premium discount eligibility level to \$50,000 & added a Medicare supplement to it. Gov. Ritter (D) adopted a formulary, joined a multi-state Rx buyer pool & made private plans cover PTSD, anorexia, substance abuse & colorectal screening. A reform panel suggested big health expansions, but **Colorado's deficit is now \$318 million: So the state cut provider fees at least twice & also low income clinic subsidies.** Yet Ritter & the legislature (now D) enacted a hospital "fee" to raise \$600 million more for Medicaid, CHIP & the state Indigent Care Program to **cover 100,000 more persons**, apply mini-COBRA rights to small firms, **boost the 200% CHIP level to 250% (but only when funding is available) & all adult levels to 100%**, cover the working disabled under 450% & double hospital uncompensated care funding. They widened CHIP psychiatric benefits, started a SPAP for HIV patients, covered legal aliens and let HMOs sell cheap **barebones** plans to the uninsured & unemployed--**but cut DD clients' work & transport funding 50%**

Commonwealth of the Northern Marianas—federal law caps its matching rate far 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 \$25,100 for 1 & \$32,900 for 2); ended non-clinic-provided adult chiropractor, naturopath, psychologist and occupational, physical & speech therapy coverage; tightened Medicaid's "medical necessity" rule; but did extend hospice care to all Medicaid patients. Yet MD & DDS fees are still too low. Rell moved to **cut AIDS services by \$2.7 million; delay starting an HIV HCB waiver, raise CHIP premiums & co-pays, drop most adult dentistry, end coverage of legal aliens, end SPAP "wraparound" benefits for Pt. D patients & cut SPAP coverage for those not yet on Medicare.** See http://www.cthealthpolicy.org/pdfs/gov_budget_impact.pdf. The legislature (D) covered the working disabled & made private plans let children stay covered to 26. A freedom of information dispute caused 2 HMOs to drop state contracts. Rell wants to force patients back into contract HMOs to fund her **skimpy, state-subsidized insurance plan for those under 300%**. It has high co-pays, limited psychiatric care, low Rx & medical equipment yearly cost caps, a \$100,000/yr cap on all care & a \$1 million lifetime cap. The legislature passed a bill to allow merger of the state worker plan, Medicaid & CHIP into 1 state plan & open it to the uninsured & small firm, non-profit & locality workers; and **a bill to authorize & start a state "universal" health plan. A Rell veto of the latter was overridden**, while an override of the 1st

bill failed by just 1 vote. The state dropped QI's asset test & raised QMB's income level to 207%, SLMB's to 227% & QI's to 242%--saving state funds by qualifying most SPAP clients for full Part D Extra Help too. **The deficit's \$8.7 billion**

Delaware--has no spend down or risk pool; covers all (even childless & non-disabled) adults under 100% & has a 500% ADAP level and 200% CHIP & SPAP levels. Gov. Markell & the legislature (both D) fund a cancer care plan for those under 650% & state medical assistance for others under 200%, raised provider fees & covered the working disabled. The legislature is considering letting over-income children buy into CHIP & cut Rx fees to meet **an \$800 million FY10 deficit**

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 others under 200%. Mayor Fenty & the Council (both D) covered adult dentistry; raised dental fees; boosted the aged/disabled asset level by \$2,000 & the QMB income level to **300%**; dropped the QMB asset test (the last 2 changes thus qualified many DC Medicare patients for Pt D's full Extra Help too); and passed a law to subsidize insurance for those under 300%. **Projected shortfalls of \$700 million over the next 3 years** required tax increases & even some program cuts. Accounting problems are delaying DC's quest for \$176 million in US matching funds for still-un-submitted 2003-10 Medicaid claims. It had to postpone plans for provider fee raises & implementing its new law authorizing an even more liberal subsidized insurance plan. It spent \$51 million to subsidize & expand low income primary care; but required pre-authorization for pain, gastrointestinal & insulin Rx's & **is replacing its public detoxification facility & public mental health clinics' care with private contractors' services.**

Florida--Ex-Gov. Bush & the legislature (both R) got a waiver to privatize Medicaid, using premium support & HMOs, but a court let patients leave HMOs 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 not 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. Gov. Crist (R) started an Rx discount plan; cut HMO fees; dropped Zyprexa from the formulary; and proposed letting children over the 200% CHIP level buy in at cost. He also signed bills to make private plans cover autism care; let children be covered in parent plans until age 30; gut the insurance minimum benefits law; **sponsor cheap, barebones policies for the uninsured (see www.coverfloridahealthcare.com and contact BC/BS & local health dept. staff about the subsidized "Miami-Dade Blue" plans with discount premiums of only \$70 to \$300/mo & low co-pays, but no brand name Rx coverage & a \$133/mo surcharge for maternity care)**; drop hospice & cut dialysis care; cut mental health & substance abuse funds & MD fees; herd more patients into HMOs; and cut Medicaid \$803 million. See www.floridachain.org & www.hpi.georgetown.edu/florida and "*FL Medicaid Waiver ..*" at www.kff.org & "*New ..FL. Health Plans*" at www.cbpp.org The Medicaid chief suggested dropping 7,800 18, 19 & 20-yr-olds & 6,800 pregnant women; home & HCB care waiting lists are long. Crist restored \$22 million for care of the aged & disabled, medical care for 900 special needs children and mental health & substance abuse care and signed a bill easing CHIP red tape. He also signed a \$1 cigarette tax increase to raise \$1 billion for Medicaid & other priorities. **The legislature passed a bill requiring Medigap policies to be sold as fairly to the disabled as to the aged; may even cover the working disabled; but only just realized that heretofore-overlooked CMS waiver clauses require big coverage expansions by 2011 to avoid losing \$300 million in US funds. Miami's Jackson Mem. Hosp. faces a 2009 loss of \$56 million & \$168 million in 2010 (its 6 satellite clinics lose \$21 million/yr & may have to be "spun off") & \$410 million in tax funding doesn't meet \$530 million in yearly costs A computer glitch caused up to 1 million of the state's 2.6 million Medicaid clients (mostly mothers & children in HMOs) to be mistakenly deleted from the eligibility rolls---an error the state & its computer contractors claim is now corrected.**

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 indigent care costs. While Fulton Co. gave Grady \$50 million, it's withholding \$26.5 million more until it gets better data on the number of its own indigents. **Grady also must re-pay \$20 million in past Medicaid overpayments and has a current**

shortfall of \$36 million---which will require closing 3 of its 9 local clinics & cutting 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 & is considering privatizing much of public mental health care; but 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

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. It covers all parents & other non-Medicare adults (even the childless & non-disabled) below 200%. But the childless aged/disabled level is only 100%, while ADAP’s is 400%. The state makes all employers insure workers & dependents, covered the working disabled and has a token SPAP for Medicare patients 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 deficit**, dropped premium-free CHIP for over-income children. **Lingle called for ending “free Medicaid” for some low income adults (but didn’t define that terminology); the legislature (which had earlier raised MD fees to the Medicare level) failed to appropriate enough funds to keep paying at that rate; and an ADAP waiting list may be needed.** The state is herding 37,000 aged & disabled into 2 for-profit HMOs that many say are sub-par, but the 9th Circuit upheld a US District Ct order dismissing a suit to stop implementation of the HMO contracts.

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%; funds a little-known, under-used pilot plan for poor (even childless & non-disabled) adults & small firm workers; covered the working disabled; and got CMS to allow 3 patient groups: Parents & children; the disabled & chronic cases; and the aged---who may get differing benefits or more co-pays but also more preventive care. Gov. Otter (R) covered adult dentistry, but **the deficit** forced him to **charge 4% of income premiums to Katie Becket cases**, cut hospital & rehab facility fees 55% (which a court then barred) and occup. & speech therapy; mental health and “partial care” funding. **The deficit may require an ADAP waiting list.** He & the legislature may cut nursing home & ICF rates, freeze MD & DDS fees & drop non-emergency transportation benefits.

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 2nd, SPAP** (both have 200% levels). Ex-Gov. Blagjoevich & the legislature (both D) added HIV drugs to the 2nd SPAP’s formulary (but only for Medicare patients) & **the legislature passed a bill to give the disabled (again, only if already on Medicare) the full, equal formulary of the main SPAP, which Gov. Quinn (D) at first seemed ready to sign but then news stories reported state plans for a \$40 million SPAP cut.** They raised the parent level to 185%, set the ADAP level at 400%, accepted a court order to raise pediatric fees (yet *other* state fees are too low & paid very late, even though the state pledged to pay off its big claims backlog by 6/1/09), offered subsidized insurance to veterans left uncovered by VA cuts & raised the CHIP level from 200 to 300%. The under-funded risk pool, often closed to new patients, has a Medicare supplement but no low income premium discount. Blagjoevich’s proposals for 300% parental Medicaid & 400% subsidized insurance levels were blocked by legislative & court opposition. But he refused to force 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 sold & raised pediatric specialist fees \$8 million. A \$150 million Cook Co. Hosp system shortfall that threatened service cuts was mostly averted by raising county taxes. But a \$100 million shortfall forced the U of Chicago Med. Center to close its women’s & dental clinics & another shortfall forced the U of IL at Chicago to close a clinic too. The legislature found \$640 million to subsidize safety net hospitals (with \$51 million for Cook Co. Hosp), made hospitals give discounts to the uninsured & funded a hospital “assessment” fee plan to generate \$450 million more in US matching. **Facing a gigantic deficit, the legislature’s budget bill made deep cuts in health & other services (e.g., a \$15 million cut in state HIV funding with \$2.9 million less for ADAP).and lacked the income tax increase on the rich that Quinn demanded---so he vetoed it.**

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 old all-GOP legislature raised CHIP premiums, but let Medicare patients join the risk pool (which has a low income premium discount) for secondary coverage. The ACLU sued to void a once-every-6-yrs denture & re-linings limit. *Advocates & the House (now D) oppose Daniels' privatization of Medicaid, food stamps & welfare eligibility in 59 of the 92 counties delays clients' access to help & leaves fewer eligible. Now, his own welfare chief says she'll cancel the contract if its problems aren't fixed by 9/09. ADAP (with a 300% level) has a waiting list.* The state raised the CHIP level from 200 to 300%. A waiver subsidizes insurance for parents below 200%--and it *even* has up to 37,000 slots open to childless, non-disabled adults under 65 (for which *over 100,000 already* applied). *Yet the aged & disabled level—now under \$620/mo, the US' 2nd lowest---won't rise.* The insurance offers HMOs, 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 (subject to the numerical limit on the childless) can buy in at full cost. See <http://www.cbpp.org/1-24-08health.htm> , "Healthy IN Plan." at www.kff.org & "Profiles: Healthy IN Plan.." at www.statecoverage.net . *The deficit is \$763 million (but the state also has a \$1 billion untouched surplus fund).* Daniels said he won't cut eligibility, yet will cut MD, DDS, nursing home & hospital fees 5%. The 17 St. Vincent hospitals eased their free care & discount rules for indigents & debtors *A new law lets more providers screen for breast & cervical cancer & precursors & will thus now allow more uninsured women who screen positive (even if childless or non-disabled & regardless of incomes or assets) to get Medicaid.*

Iowa---covers up to 30,000 non-Medicare adults—even if childless & non-disabled—under 200% 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 \$900+ million.* Gov. Culver & the legislature (both D) made private plans let children stay enrolled to age 25, covered disabled children under 300% via the FOA, raised the CHIP level from 200 to 300% & let children with no dental coverage buy into CHIP dentistry benefits only. He supported bills to let localities, small firms (dropped by the House) & non-profits join the state worker health plan; but sought a \$10 million Medicaid cut; while a bill to widen CHIP & Medicaid mental health benefits failed.

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. Ex-Gov. Sibelius (D) covered the working disabled, "ex-disabled" & "pre-disabled", offered state mini-COBRA rights, raised low income clinic subsidies & signed bills giving Medicaid to parents under *50%* by 2009 & *all adults* under *100%* by 2012 and to study an insurance subsidy for those under 200%. The legislature funded raising the CHIP level to 250%, *but refused to fund the planned parent & adult expansions.* Gov. Parkinson's (D) Medicaid staff *is considering expanded use of pre-authorization for some services; imposing co-pays for ER use for non-emergency care; raising CHIP premiums \$10 to \$20; starting an Rx management program for mental health Rx's; and raising its MD fees to 84% of Medicare's rates.* There's a \$238 million deficit.

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 a \$242.5 million rise in Medicaid/CHIP costs in 2010.* He signed a 60 cents tobacco tax bill to prevent Medicaid & CHIP cuts, *enrolled 22,000 more children in CHIP,* yet diverted millions of federal stimulus Medicaid funds to other agencies. *Also, an ADAP waiting list may be required.*

Louisiana---has an aged/disabled level of only \$674/mo (the SSI rate), a parent level of 12%/26% if working (2008) & a 200% ADAP level. Its risk pool has *no* low income discount *or* Medicare supplement. The legislature (D) voted to raise CHIP's 250% level to 300% but has no funds to do so. Gov. Jindal (R) urged HHS to forgive a \$771 million overpayment

and seeks a waiver to move patients into HMOs & subsidize insurance for parents under 50% in N.O., Baton Rouge & Shreveport plus *all* adults under 200% in Lake Charles. See “LA Health 1st” at www.dhh.louisiana.gov & “LA’s Med. Waiver..” at www.cbpp.org He proposed \$531 million in health cuts---lowering covered Rx’s from 8 to 5 per month (unless more are “medically justified”), & \$87 million in MD & hospital rate cuts. He says he’ll refuse \$9.5 million in US stimulus funds to give Medicaid to parents leaving welfare to work. **State Medicaid matching rates will fall 9% by 2011.**

Maine---Gov. Baldacci & the legislature (both D) subsidize insurance for those under 300% 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. **With a \$140 million deficit, the legislature made \$34 million in health & welfare cuts, may make \$25 million more & even start an ADAP waiting list. Bills passed to reform financing of the subsidized insurance program & re-open it to new enrollees by 2011;** and to improve information about & access to in-home & HCB waiver care.

Maryland---has an aged/disabled level of only \$674/mo (the SSI rate), a parent level of 116%, a CHIP level of 300% (with, however, a 6 month waiting period for some new applicants) & 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 low income clinic program into one O/P care & Rx program for *all* non-Medicare adults (even childless & *non*-disabled) under 116%. A state-sponsored, Blue Cross-run 2nd SPAP (with a 300% level) covers some Pt D donut hole expenses & premium costs, **but seems to exclude the disabled.** 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 & the state covers the working disabled. Gov. O’Malley & the legislature (both D) made private plans let children stay covered to age 26; raised the income level to 116% for *full* Medicaid for parents (enrollment has already *doubled* projections & is costing \$50+ million/yr); subsidize insurance for some low paid small firm workers & gave \$50 million to avert closing of Prince Georges Co. Hosp., where 1/2 of patients are indigents. Baltimore’s Bon Secours Hosp., with high indigent costs too, seeks \$5 million to stay open. At first they cut Medicaid \$82+ million, including nursing home, home health aide, private RN & HMO fees & community services funds for the disabled; and cut hospital rates to 80% of private insurer rates. **Then a \$700 million (and rising) shortfall forced O’Malley to scrap the planned 7/1/09 expansion of full Medicaid to childless adults under 116% and he led a budget board to cut \$90 million more in health funds: fees for Medicaid providers, HMOs, HCB programs, community care organizations & a 2% pay cut (totaling \$12 million) for personal care aides for the disabled.** He is funding a \$42 million child dental fee raise, will carve *child* dentistry out of HMOs for direct state managing & signed bills making hospitals give free care to those under 150%.

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 parent—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% for Pt D patients). Gov. Patrick (D) cut cost - sharing for “Free Care” patients under 200%. But with a **deficit of \$1.2+ billion**, he raised Medicaid & subsidized health program premiums & cost-sharing; raised SPAP cost-sharing \$11 million; proposed freezing MD & hospital fees; and is cutting \$74 million for substance abuse, tobacco cessation & school RNs and \$20 million for pregnancy prevention. The state cut low income coverage costs \$83 million by slowing new patients’ HMO assignments. **The legislature voted to end adult dental coverage & drop 30,000 legal aliens from public coverage. Patrick may still preserve some adult dentistry but had to limit legal aliens to hospital emergency & limited low income clinic care.** The Boston Med. Ctr faces a \$38 million loss (and \$100 million in 2010) from low state fees & is suing the state. **A long time, pre-stimulus state-only program that pays COBRA premiums for the unemployed who can’t get Medicaid or other coverage will exhaust its funding by 1/2010.**

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% (with no child Medicaid or CHIP asset test) & a 450% ADAP level. It ended most adult dental, hearing aid, podiatry & chiropractic coverage 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, briefly restored adult dentistry & 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 \$1.7 billion deficit**, Granholm & the new legislature (R-Sen; D-House) made \$300+ million in cuts (reducing MD & hospital rates 8%--nearly \$100 million), **again dropped adult podiatry, chiropractic & dental benefits and also ended adult vision coverage**. The Senate wanted to cut \$600 million more with lower hospital & MD rates & more co-pays, which the House opposes. **Yet both Houses are considering bills to ease private plan pre-existing condition rules, start a state reinsurance plan & even subsidize insurance for low income persons**

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 & MinnesotaCare (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) forbade 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 \$4.63 billion deficit**, he cut hospital rates \$90 million, capped enrollment in HCB care for the disabled, but pledged to protect child health benefits. But for the 2010-11 biennium, he then proposed cutting the budget for personal aides for the disabled & tightening medical qualifications & hours of coverage for aides for 2,100+ patients; tightening medical qualifications for nursing home & HCB waiver care; slowing growth of a waiver for the disabled; cutting community support services; slashing basic medical care costs; raising some clients' premiums; ending coverage of occupational & speech therapy and audiology; dropping adult dentistry & dental critical access payments, dropping childless adults from MinnesotaCare; limiting state General Medical Assistance to those below 75% (and then only if they meet a medical incapacity "qualifier" rule); ending parents' MinnesotaCare (they'd then have to seek Medicaid by meeting much lower TANF or medically needy income levels); and cutting parent asset levels. **The legislature's budget bills would cover 20,000 more children & cancel his cuts**, but Pawlenty then proposed \$236 million more in health cuts. He'll likely veto the legislature's bills & **did line-item veto all the funding for state General Medical Assistance**. Hennepin Co's Med. Ctr may end free care for other counties' indigents & cut mental health, dental & HIV services. Minneapolis' MN Children's Hosp. & Clinics, with 40% of its funding coming from Medicaid & CHIP, is curtailing various programs

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 Rx fees & physical, speech & occu. therapy benefits. An in-person re-application rule retards enrollment. He & the Senate (D) won't drop it (except maybe for LTC clients), but the House (D) would. **With a budget shortfall**, Medicaid needs **\$268 million more in 2010**. Barbour pledged not to cut it (yet may add premiums & raise co-pays) & sought new cigarette & hospital taxes. But he vetoed \$7 million in state funds to pay Medicaid fees to community mental health centers for care already given and apparently neither he nor the legislature has funded the state share of Medicaid fees for their ongoing services either. **A tobacco tax passed & Barbour got the hospitals to accept a \$60 million/yr tax (rising to \$90 million) to fully fund Medicaid---which both Houses then passed**. CMS says MS wrongly claimed matching to keep paying Pt B premiums for 9,300 who lost Medicaid or MSP eligibility.

Missouri---a 209(b) state; its risk pool has no Medicare supplement but has a low income premium discount (**the state just passed a law to keep its premiums from becoming more un-affordable**). Ex- Gov. Blunt & the legislature (both R) cut the aged/disabled level from 100 to 85%; ended state medical assistance for those awaiting SSA disability awards; dropped the working disabled; cut the parent level to 20%/26% if working (2008); kept the ADAP & CHIP levels at 300%; ended adult dental, podiatry, hearing aid & vision benefits; raised CHIP premiums; denied CHIP to those whose job plans cost under 5% of income (with exceptions for plans with preexisting condition limits or exhaustion of plan benefits); restored

wheelchair supplies coverage; and raised the SPAP level to 150% & *expanded* it to cover the disabled on Medicare. Blue Cross & a foundation subsidize insurance for KC-area families under \$30,000. The state also 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; restored hospice & working disabled coverage (the latter only for those with very low SSDI incomes); 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 now lets clinics enroll children. Gov. Nixon (D) asked the legislature (still R) to partially restore the parent level to 50% (it refused, *but may later relent*); cover *all* adults’ dental, hearing & vision care (also rejected); liberalize CHIP premiums & coverage (killed too) and let over-income children buy into CHIP. **A big state deficit** had already derailed his plans to raise the aged/disabled level back up 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 now has a waiting list* & other economies); seek a waiver to cover 3,000 more (maybe even childless 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; made private plans offer vaccines & well-child care up to age 7 & let children stay covered to age 25; and gave \$2 million to community mental health centers. An 11/08 referendum authorized spending \$20 million to raise the CHIP level further to 250% & liberalize child Medicaid, but a bill to let CHIP cover contraception failed.

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 ended Medicaid for many parents who leave welfare to work (*but a court ruled that it couldn’t deny Medicaid to those who don’t meet go-to-work rules*). 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 and signed bills letting children stay on parents’ private plans until age 30 and *raising the 185% CHIP level to 200%*. *Due to a budget deficit*, he’ll limit dental care to \$1,000 per year, 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* and CMS told the state that Medicaid can’t fund non-medical, residential-level group home rents for mentally ill children.

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% level, it *added* coverage of the disabled & even *vision* benefits); but *raised CHIP premiums*. *A \$2.8 billion deficit* forced Gov. Gibbons (R) to ask the legislature (D) to *cap CHIP dental care at \$600/yr, end CHIP orthodontia & vision care, tighten nursing home, HCB waiver & at-home care medical qualification rules, cut pregnant women’s coverage, drop planned provider fee raises, cut hospital I/P fees 14%, & O/P rates 5% (causing closure of the U. Nev. at Las Vegas Hosp’s dialysis & oncology clinics), slash HCB care fees; drop adult dentistry; reduce personal care services for the disabled; cut I/P hospital neonatal rates 24% & pediatric specialist fees 41%; and make a 2nd 10% cut in I/P hospital rates*. The state makes its counties pay for almost all hospital uncompensated care, causing insufficient & unfair hospital funding & leaving 5 large indigent-treating hospitals without any subsidies. *Rising ADAP Rx costs forced the HIV agency to cut \$1 million in LV-area client services*

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-stricter-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. He cut Medicaid \$29 million & *may even have to close CHIP to new*

applicants. A House-passed budget made big hospital & hospital-based MD fee cuts. **The deficit is \$75 million.** The state made private plans let children stay covered to age 26 & **the legislature passed a bill to let 19-to-26-yr-olds buy into 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. One 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 using Medicaid when their funds run out. Blue Cross sells a cheap CHIP-like policy to those over its 350% level **With a \$3.5 billion FY 10 deficit**, Corzine signed a budget that cut hospital charity & teaching payments, slightly cut adult day health center rates, avoided ADAP & Medicaid Rx co-pays, kept the parent level at 200% (using added federal CHIRPA funds), ended CHIP premiums for those under 200% limited the SPAP formulary (its co-pays had already been raised) and **increased 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 that covers any adult (even if childless or non-disabled) under 200%---once briefly closed---is again taking new applicants. Gov. Richardson (D) proposed raising the waiver level to 300 or 400% & permanently covering all--even childless & non-disabled--adults through it; and a 300% CHIP level. But with a **\$200 to \$300 million Medicaid shortfall as of 1/1//11**, he & the legislature (D) dropped plans to enact health expansions, and **may have to eliminate adult dental, vision, hearing aid & hospice coverage, cut physical, occupational & speech therapy benefits, slash provider fees and cut or end the waiver coverage for adults under 200% & for HCB services**

New York---has no risk pool. A "FamilyHealth" waiver covers parents under 150% & childless (even *non*-disabled) single adults under 65 below 100% (150% for couples). But the childless aged level is only \$725/mo & ADAP's is 431%. The state subsidizes insurance for workers under 250%, but caps its Rx benefits at \$3,000/yr. The legislature (D House; now-tied Senate) **excludes the disabled from the SPAP** (with a 350%+ level); won't cover digital mammograms; raised Rx & MD co-pays (capping them at \$200/yr); adopted a loose formulary; fosters assisted living, chore aide & adult day care; makes counties pay 1/2 of state Medicaid costs (but caps their cost 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' 2nd 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 hospital & nursing home fee cut; sponsors 30-60% Rx discounts for the disabled under \$35,000; raised asset levels for all clients (\$13,050 for 1, \$19,200 for 2, etc); **ended MSP asset tests; extended COBRA coverage for all ex-workers & dependents to 36 months**; but seeks **to cut HIV care \$6 million and force NYC HIV & all dually-eligible patients into HMOs**. He proposed making private plans let children stay covered to age 29 & his budget **raises the level for all adults to 200% (only if & as funding permits)**. Short \$316 million, NYC's hospital system plans to cut child psychiatric & O/P Rx benefits & close some clinics; and **NYC proposes to end its school-child dental program & cut some HIV client services**

North Carolina---covers the working disabled, but allows only 8 Rx's a month (plus another 3 or more on an exception basis).Its aged/disabled level is 100%; its parent level is 37%/51% if working (2008); its CHIP level is 200% (the deficit prevented plans to raise it) & ADAP's is 300%. 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. The state had made counties pay 15% of Medicaid costs, but ex-Gov. Easley & the legislature (both D) shifted their costs to the state as of 7/09. They set up a 2nd SPAP for ADAP clients on Medicare who are not eligible for Pt D's full Extra Help, passed limited mental health parity & **in 1/09 started a risk pool that excludes Medicare patients, has no low income premium discount, requires pre-authorization + a \$250 co-pay for "specialty" Rx's & has a \$100,000/yr out-of-pocket maximum. With a \$2 billion deficit, Gov. Perdue (D) proposed closing 50 state mental hospital beds. The budget likely to pass cuts MD & hospital fees \$76**

million; in-home personal care \$55 million; 50% in adult dentistry; \$250 million for community mental health; \$40 million less to treat the uninsured; 5% less for mental health provider fees; big cuts in audiology and in speech, physical & occupational therapy and hospice funding; \$3 million less in state ADAP funding; and ending Medicaid's HIV case management program. The state had to begin re-paying \$300 million in mistakenly over-claimed federal matching funds.

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% & *raise the Medicaid medically needy level—it's also the level excess-income clients spend down to--by 50% (e.g., from \$500/mo to \$750/mo for 1). He then proposed boosting the CHIP level again to 200% (but the House refused)*, streamlining nursing home, HCB waiver & home care access and raising MD fees

Ohio---this 209(b) state with *no* risk pool cut the parent level from 100% to 90% and has a 500% ADAP level (but the deficit may require cutbacks) It slashed adult dental funds 50%; cut secondary fees for dual eligibles & medical aid for those awaiting SSA disability awards; moved most patients into HMOs (some with too few specialists); let providers turn away those who don't meet co-pays; and passed mental health parity--but *kept its aged & disabled level at only \$534/mo (the US' very lowest!)*. Gov. Strickland (D) & the legislature (R-Sen; D House) raised CHIP's level from 200 to 300% (effective when & if a lawsuit allows) & covered disabled children under 500% via the FOA. He got a waiver to cover assisted living, lets over-income children buy into CHIP, cut funding of county eligibility work (the House favored restoring most of that, but Senate passage is unlikely) and nursing home fees (which they challenged in court & which the legislature partially restored as it even more strongly bolstered home-based care). Strickland then proposed a \$300 million nursing home funding cut. *With a \$9 billion deficit (and now a court order---which may be appealed---banning spending \$250 million in tobacco settlement funds on Medicaid)*, he delayed MD, DDS, & hospital fee raises & fully restoring adult dentistry & proposed \$1.3 billion in "fees" for medical facilities & HMOs. The state health chief predicted \$80 million more in cuts (maybe even in Rx coverage). Strickland called for making private plans let children stay covered to age 29 & applying state mini-COBRA rights to small firms. There are wheelchair & medical supply prior authorization backlogs.

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 small firms. Employer eligibility was later widened, college students under 200% can now enroll & the legislature (R) made the insurance subsidy more affordable—but with stripped-down coverage exempt from the original, stronger minimum benefits law. It also authorized Medicaid coverage of assisted living; streamlined enrollment red tape, raised the CHIP level from 185 to 300%; encourages 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 and raised MD & DDS fees. *The deficit is \$114 million & ADAP adopted economy 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' insurance subsidies 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 childless & non-disabled adults under 100%--is again taking applications but enrolls only those who win a lottery. The ADAP has cost-sharing. Gov. Kungoloski & the legislature (both D) took the FOA option & imposed *taxes on insurers & hospitals to fund coverage for 80,000 more children (raising the CHIP level to 300%) & 35,000 more adults and provide more in-home care (but business & anti-tax groups are working to force a referendum to repeal the taxes)*.

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 270,000+*) 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 & seeks to return HMO Rx benefits to state control to get \$95 million in rebates. He said he'll enroll 16,000 more persons in the SPAP; proposed raising its level enough to cover 30,000 more seniors (**but still not any disabled**); and signed bills making private plans let children stay covered to age 30 & applying 9 month state mini-COBRA rights to small firms. He called for cutting hospital rates \$75 million; but Senate (R) leaders want a bigger hospital rate cut & to freeze CHIP funding (even as caseloads rise). Public Citizen says PA MD fees are the US' 5th lowest. **The deficit is \$3.2 billion.** A shortfall may force Philadelphia's city clinics to charge fees & close some sites and Northeastern Hosp. (with 1/2 its patients on Medicaid) has to close. **The House (D) twice voted to expand AdultBasic (to cover 85,000 more patients and Rx's & mental health: ½ funded by US matching & ½ by state taxes).** **But Senate leaders oppose raising taxes on the rich, as Rendell proposed to bolster CHIP, Medicaid, the SPAP & the AdultBasic expansions.** **CMS' current administrative fee cuts--much smaller than those in health reform bills—for Special Medicare Advantage plans for dual eligibles in the Philadelphia area are being ended by Blue Cross & other contractors, throwing over 17,000 patients back into fee-for-service Medicare & Medicaid.**

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 just 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 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' 3rd lowest. **Big deficits (\$660 million in FY10)** moved him to get a CMS waiver with extra up-front federal funds that in exchange requires the state has to divert 12% of nursing home cases to cheaper home care & accept a cap on future US funds that could deny nursing home care to all but the "highest need" clients & raise premiums. The legislature (D) raised adult daycare co-pays, dropped legal alien children & 7,400 adults and approved the waiver. See www.povertyinstitute.org & "*RI's Medicaid Proposal...*" at www.cbpp.org; and email lkatz@ric.edu for critiques. The Medicaid chief said more cuts (e.g., dropping eyeglass benefits & 40,000 *more* clients) may come. **Carcieri proposed abolishing the SPAP for those over 65; ending parents' dental coverage; and cutting nursing home fees 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 clients into HMOs (yet allowing opt-outs) & raised CHIP's level to 200%. The SPAP has a 200% level **but excludes the disabled.** **The deficit is \$250+ million.** The legislature cut Medicaid mental health coverage; closed an HIV program to new clients; **reduced home health**, hospital & nursing home funding; **slashed SPAP benefits** (but by less than Sanford wanted), **yet enacted a mental health & substance abuse benefits parity law for private insurance.** **The House passed a 50 cent tobacco tax to subsidize insurance for those under 200% or in firms of under 25, which GOP Senators oppose---while Senate Democrats prefer using any new funds to bolster Medicaid.**

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 is 54% (2008) & ADAP's is 300%. Rejecting their own health panel's call for eligibility expansion, Gov. Rounds & the legislature (both R) refused to raise the pregnant women's level to 200% or CHIP's 200% level to 250%. They denied a once-planned provider fee raise (although a legislative board did begin studying Medicaid & CHIP reimbursement) & **ended adult dental coverage.** **The 2010 deficit will be \$81 million**

Tennessee---Gov. Bredeson (D) & the legislature (R) dropped 191,000 adults--but no children--when, with federal approval, they terminated the TennCare liberalized-eligibility waiver expansion. The aged/disabled level is now \$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 has a 250% CHIP level, has a risk pool (with no Medicare supplement, but with a premium discount for those below 200%), has a SPAP (with a waiting list) covering up to 5 Rx's (generics only) monthly (with a low dollar coverage cap) for non-Medicare clients under 250%; and subsidizes barebones

insurance for those under \$55,000. Except for also covering diabetic items & more psychiatric Rx's, CHIP uses Medicaid Rx rules. The spend down was restored, but Bredeson cut the budgets for the spend down, home care, medical equipment & benefits promised the disabled who lost TennCare. **The deficit may be \$1.25 billion & could bring \$400 million more in cuts (but a new HMO tax will prevent \$300 million in cuts) & possibly an ADAP waiting list. Bredeson got a US court to dissolve a 1987 order grandfathering-in 150,000 ex-SSI recipients for Medicaid (most are ineligible under today's regular rules); and the state will close those cases found ineligible under current rules;** see "Daniels Case" at www.tnjustice.org .

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, but dentures & multiple extractions need pre-authorization); mandated some mental health parity in private plans; started a SPAP just for HIV clients; and seeks a waiver **to insure parents under 133%, childless, non-disabled adults under age 65 below 100% & maybe later 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 will require MD & DDS fee raises (but adult rates remain too low). The House voted to cover disabled children under 400% via the FOA but killed a bill raising the CHIP level to 300%, but its decision on a bill restoring Medicaid's adult spend down is unclear. Caseload growth is causing a \$1 billion rise in CHIP & Medicaid costs

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 legislature (R) ended coverage of podiatry, audiology & speech therapy, chiropractic, outdoor wheelchairs & adult eye-glasses & dentistry; **cut pediatric DDS fees 25%**; and may cut CHIP dentistry more. Ex-Gov. Huntsman (R) subsidized premiums of some small firm workers under 200% & the legislature considered expanding the program. See "*New CHIP /UPP Waiver..*" at www.healthpolicyproject.org. He named an insurance reform board that may suggest community rating, ending preexisting condition rules, cheaper policies **with no minimum benefits mandates & malpractice "reform"** A 2nd legislative health panel would **gut the minimum benefits law**; ban preexisting condition rules; **get insurers to offer small firms & the unemployed cheaper-than-COBRA policies (this was enacted)**; and **urge employers to give workers HSAs instead of regular insurance. The deficit is \$272 million.** Gov. Herbert's (R) health policy is similar to Huntsman's

Vermont—has an aged/disabled level of 125% & a parent level of 185%. The CHIP level is 300%, ADAP's is 200% & the SPAP's is 175%. The state subsidizes insurance for 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 US funds, puts patients into HMOs & favors HCB care over nursing homes--but caps future US matching funds. There's no risk pool. There's a **\$100+ million shortfall**. Douglas pledged to not cut eligibility, yet raised some SPAP co-pays and seeks more patient cost-sharing (but the legislature wouldn't raise CHIP premiums) and some provider & druggist fee cuts

Virginia---a 209(b) state with no risk pool. Its aged/disabled level is 80%, its parent level is 24%/30% if working (2008), CHIP's is 200% & ADAP's is 400%. Gov. Kaine (D) covered the working disabled & started a SPAP for HIV+ Pt. D clients under 300%, but dropped proposals for 100% parent & 300% CHIP levels & subsidized insurance for those under 200%. The legislature (D-Sen; R-House) rejected Kaine's pilot subsidized insurance plan for those under 200% but he got a foundation to fund it. **With a \$2.9 billion deficit that has now grown by \$1.5 billion more**, he de-funded a small indigent health program. The legislature has been able to avoid big hospital & nursing home fee cuts, even funded 400 more HCB waiver slots for the mentally disabled, but voted to drop minimum benefit mandates for some 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 age 25. Facilities evicted 75+ assisted living clients due to low state fees. **A \$9 billion deficit** may yet prevent raising the CHIP level from 250 to 300%. The state **proposed dropping 40,000 patients from Basic Care** (state-subsidized insurance for non-Medicare adults under 200%, **for which 30,000 are *already* on a waiting list**) **but then said it could get enough savings by raising premiums & co-pays**; reducing state Gen. Asst. medical aid \$190 million (**dropping 3,000 more**), hospital DSH payments \$107 million & nursing home rates \$38 million; and cutting druggist, pediatric, HMO & adult day health center fees. **It may even end adult dentistry & colorectal cancer screening**. Legislators are considering bills for a referendum to raise the sales tax by \$381 million to avert Medicaid & health cuts & boost low income clinic subsidies; streamline CHIP eligibility; and let over-income children buy into a watered-down CHIP plan.

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 all *adult* dental care but extractions; and didn't properly adopt nursing home & HCB medical admission rules (which *still* inhibit HCB access). Gov. Manchin & the legislature (both D) sponsor an Rx aid plan for non-Medicare adults under 200%; and give clients more mental health care & Rx's to sign "personal responsibility" contracts. See "Mountain Health Choices" reports at www.familiesusa.org & www.hsc.wvu.edu/wvhealthpolicy. The state raised the CHIP level to 250% (and may even go up to 300% eventually) & plans to raise child dental fees. Manchin says he has been---and (despite no action so far) says *he is still*---considering proposals (see "Shot in the Arm ..." at www.familiesusa.org) to raise the parent level, first to 50% & maybe later to 100% (and possibly even cover *all* childless adults too); but vetoed \$500,000 in assistance to free clinics

Wisconsin---has an aged/disabled level of about \$757.78/mo (the SSI/SSP rate), a 200% parent level & a 300% ADAP level. The SPAP (with a 240% level) is partly funded by **a Medicaid waiver that CMS just extended without questioning *its continued exclusion of the disabled***. The risk pool *has* a Medicare supplement & premium discounts for those under \$25,000. Gov. Doyle (D) got the Senate (D) & House (then R, but now D) to raise the CHIP (185 to 300%) & parent (185 to 200%) levels (but *not* the aged & disabled ones), make private plans cover child hearing aids & cochlear implants and offer "basic care" (but *not* brand name Rx's, home health, LTC or medical equipment) **to non-Medicare childless & non-disabled adults under 200%**. **The deficit is \$700 million**. Doyle proposed a \$900 million hospital tax to raise hospital rates.

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. Gov. Freudenthal (D) *added* a low income premium discount for those under 250% to the risk pool (which also has a Medicare supplement), proposed developing a cheap, pilot, state-sponsored insurance for the uninsured & **called for freezing CHIP enrollment**. He & the legislature plan to cut most provider fees \$25.6 million, **the DD HCB waiver budget by \$3.6 million (freezing-in a waiting list) & the state kidney dialysis program by \$250,000**. There's an ADAP waiting list and Rx cost-sharing for HIV clients may be imposed

SOURCES AND RESOURCES:

*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) more for each add'l person; see the Assist. Sec for Plan. & Eval. pages at www.dhhs.gov for AK & HI. In 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 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 "Key Questions About Changes for Medicaid..in..HR 3200..", pub. # 7952; & "Summary of Key Medicare Provisions in HR 3200", pub. # 7948 [on House Democrats' "Tri-Committee" health reform bill] at www.kff.org. Both analyses include the House Democratic leadership's concessions---e.g., cutting the bill's cost by \$100 billion,

raising Medicare & insurance provider fees in non-metro areas, exempting firms with payrolls under \$500,000 from the “play or pay” mandate, making states pay 7 to 10% of Medicaid expansion costs & cutting low income premium subsidies.---to the Blue Dog Democrats. See the side-by-side comparisons of reform bills & proposals at www.kff.org.

See “Building..Medicaid’s Role in a Reformed ..System” at <http://ccf.georgetown.edu> ; “Improving Medicaid ...to Achieve Universal...Coverage” at www.cbpp.org; “Covering Low Income...Americans: Medicaid as Platform for ...Reform”, “Coverage & Cost...of Expanding Medicaid”, “Expanding.. Coverage for..Adults..” and “Explaining Health Care Reform: What Are Health Ins..Subsidies?”(pub. # 7962) at www.kff.org; the analysis in “Coverage for Low Income People...Should.. Medicaid Be Expanded..?”(7/24/09) in Health Policy Briefs at www.healthaffairs.org and “America’s Seniors and Health..Reform: Protecting..and Strengthening Medicare” at www.dhhs.gov .

“Medicaid Benefits...8/07” at 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

To block bad state plan changes at www.healthlaw.org. To ensure plan changes/waivers get approved by legislatures & not just Governors, see <http://www.nachc.com/advocacy/Files/state-policy/model520state520legislationh.pdf> & http://www.nachc.com/advocacy/Files/ModelStateLegislation-AppropriationsRiderssr031406_RS-.pdf.

The “National ADAP Monitoring Report, 2009” at 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 “ADAP Watch” at www.NASTAD.org for news of state waiting lists, cost containment measures & state websites

State Rx co-pay data is in “State Medicaid Drug Reimburse. ” at www.ascp.com . See “Pharm. Benefits [in] State [Medicaid]” at www.npcnow.org on formularies, fees, OTC coverage, prior auth., prescribing/dispensing limits & co-pays. See www.kff.org for “Medicare Part D Update: Lessons Learned...” and other studies & materials on Part D.

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 . Email jcuburn@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 (12/1/05 report at “News” icon)

See “Individual...Models of LTC” at www.statehealthfacts.org for state coverage of HCB waivers, home health, personal aides & related care & “Money Follows the Person 101” at www.nscl.org. Email lsmetanka@nccnhr.org for 2006 state personal needs allowances (PNAs) for SNF & ICF patients and those in SSP-funded board & care homes.

See www.naschip.org on state risk pools & order “Comprehensive Health Ins. for High Risk Individuals: A State-by-State Analysis”[2008-09] on funding, eligibility, benefits, Medicare supplements, premiums & low income discounts

27 states have little-known kidney assistance programs & are listed in a “Directory of State Kidney Programs”, with contact, eligibility & benefit data at <http://som.missouri.edu/MOKP/> under “publications”. (Also, FL, MI, NJ & TX have hemophilia programs as well, while FL & TX have epilepsy programs too— check with their state health depts.).

See “From CANN ” in “Other Organizations’ Materials” under ”Library” at 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 “2009 VA Health...Benefits”