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Study: Fla. Medicaid premiums too high

By KELLI KENNEDY
Associated Press

New premiums and copay proposals for Florida Medicaid beneficiaries, including \$100 for every non-emergency ER visit, are among the highest in the country and a new study warns it could cause hundreds of thousands to drop out because they can't afford to pay them, according to a report released Wednesday by Georgetown University.

"This is a very radical proposal which would undermine the progress Florida has made in covering children," said Joan Alker, co-executive director of the Georgetown University research center.

Nearly a dozen states saw enrollment declines as a result of new or increased premiums charged to Medicaid beneficiaries, although specific policies varied considerably, according to the report.

The majority of people enrolled in Florida's Medicaid program are below the poverty level of \$22,314 for a family of four.

The state's Medicaid overhaul also requires beneficiaries to pay a \$10 monthly premium. It's unclear whether that's \$10 per person, meaning \$40 for a family of four or whether it's capped at \$10 per family. A top Republican lawmaker said Wednesday it was the later, but a letter from state health officials to federal health officials makes no reference to the \$10 per family cap. An email to the Agency for Health Care Administration seeking clarification was not immediately returned Wednesday.

Either way, advocates warn those monthly charges add up and will overburden the state's poorest.

Florida lawmakers passed sweeping changes to the Medicaid program this past session, placing the care of the state's most vulnerable residents, mostly children, into the hands of private providers and hospital networks. Lawmakers said the roughly \$20 billion a year Medicaid costs are a strain on a tight state budget and the program couldn't continue without changes.

The bills expand on a controversial five-county pilot program that pays for-profit providers a set fee to cover recipients and allows providers great flexibility in determining patient coverage. Doctors have dropped out of the program, complaining of red tape and that the insurers deny the tests and medicine they prescribe. Patients have complained they struggled to get doctor's appointments. Supporters of the overhaul say new accountability measures will address those concerns.

But the state needs permission from federal health officials to continue the plan. The parties have been negotiating for about six months and talks are likely to continue into next year.

New Jersey lawmakers tried a similar proposal earlier this year, moving Medicaid participants into managed care plans and requiring a \$25 copay for non-emergency room ER visits.

In 2003, Oregon increased Medicaid premiums for poor adults to between \$6-\$20 and enrollment dropped by nearly half, or roughly 50,000 people. Enrollment dipped 30 percent in Missouri in the two years following the 2005 introduction of new premiums in 2005. In Maryland, 28 percent of children dropped out in one year after some participants at higher income levels were charged \$37 monthly premiums, according to the report.

"Florida's eligibility levels for families are not generous. That's why these premiums would have such a devastating effect. No other state is charging premiums to kids uniformly at this income level."

But Florida lawmakers say Medicaid patients should not receive better or worse benefits than residents who pay for private insurance and want Medicaid recipients to chip in on costs.

The \$100 copay shouldn't be an issue because more families will receive medical treatment from primary care clinics instead of relying on emergency rooms for minor problems.

"I do not believe Medicaid recipients will drop out because the benefits in Medicaid are very generous and other health care options are unavailable," said Sen. Joe Negron, who spearheaded the passage of the health bills.