

Twin Falls Times News, Friday, March 11, 2011 -- Ben Botkin

Lawmakers reduce cuts to Medicaid

BOISE — House lawmakers approved a major overhaul of proposed Medicaid reform Thursday, removing two contentious cuts that would have trimmed about \$4.4 million in state dollars for developmental therapy services.

Lawmakers in the House Health and Welfare Committee scrapped two of the bill's 23 cost-savings proposals, dropping the level of state dollars saved from \$39.1 million to \$34.3 million.

One of the eliminated ideas would have saved \$1.8 million by reducing benefits for adult developmental therapy services. The other idea would have trimmed \$2.6 million by initiating a "retirement" age of 45 for developmental therapy, shifting retired individuals to a program for the aged and disabled.

Thursday's changes came after lawmakers heard testimony from hundreds of Medicaid providers and recipients earlier this week, the vast majority in opposition to the bill.

"It was primarily from what we heard during the public hearing, the level of opposition from the public from those two areas," said Rep. Janice McGeachin, R-Idaho Falls and chairwoman of the committee.

When adding federal matching funding associated with the \$4.4 million state dollars spared the axe, elimination of the two ideas amounts to a total restoration of about \$12 to \$13 million in Medicaid funding. That in turn reduces the bill's total economic impact to about \$108 million, down from the earlier estimate of a \$120 million spending reduction.

Lawmakers also axed a long-term policy change from the bill that wouldn't have saved money during the upcoming year, but would have required a board-certified psychiatrist to approve mental health services ordered for children and adults.

Disagreements about the reach of the bill's policy changes remain. For example, House Minority Leader John Rusche, D-Lewiston, made a failed motion that would have increased the proposed four-hour weekly cap for adult mental rehabilitation services to five hours.

Due to the level of changes needed, the bill is being rewritten and will be introduced today in the House Ways and Means Committee. It's being moved there because legislative leadership can introduce bills there more quickly.