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Idaho Medicaid budget will grow

Higher demand offsets cuts to poor, disabled

BOISE – Idaho’s legislative budget-writers cut \$108 million in services to the poor and disabled through the state’s Medicaid budget next year, although the program’s overall budget will grow substantially.

That’s because the federal government, which pays roughly three-quarters of the cost of Medicaid, is paying less next year. Plus, there are more poor people needing the program.

“We are not abandoning anybody,” said Rep. Fred Wood, R-Burley. “Are we looking for efficiencies in the system? Yes we are. Are we looking for better ways to deliver health care in the state of Idaho? Yes we are. Is that going to be easy? The answer is no.”

Minority Democrats, who decried the Medicaid cuts as “cruel, heartless and foolish,” spoke out against the plan, and all four Democratic members of the Joint Finance-Appropriations Committee voted against it; it passed on a 15-4 vote. The cuts were outlined in a bill that passed the House on Thursday and were written into Friday’s budget bill.

“These are people’s lives we’re talking about in these budgets,” protested Sen. Nicole LeFavour, D-Boise.

Wood and Sen. Joyce Broadsword, R-Sagle, crafted the budget plan, which sets a state general-fund budget for Medicaid next year of \$436 million, up \$137.8 million, or 46.2 percent, from this year. Including all state and federal money, the Medicaid budget would grow by 16.2 percent to \$1.8 billion, although the federal portion of that grows only 3.6 percent.

HB 260, the Medicaid bill that passed the House on Thursday and now awaits action in the Senate, cuts \$34 million in state funding for Medicaid, which means giving up \$74 million in federal matching money. The cuts include trimming some health care services for the disabled and poor; cutting payments to health care providers; charging millions in assessments to hospitals and nursing homes; discharging 35 patients from state institutions; imposing co-payments; and more.

The Joint Finance-Appropriations Committee reconvened Friday to set budgets for the state Department of Health and Welfare, one of the state’s largest agencies; it had waited for the outcome of HB 260 before starting work on the budget.

The department budget still needs approval from the House and Senate and the governor’s signature to become law, but budget bills rarely are changed once they’re set by the joint committee.

Medicaid is the largest chunk of the Health and Welfare Department’s budget. When LeFavour and other committee Democrats tried to restore \$2.2 million to another division of the budget for mental patients who’ve lost state services and may pose a danger to themselves or others, Wood dubbed the move an end-run around HB 260, and it was defeated on a party-line vote.