

Medicaid gap patch advances

BOISE — The Senate Health and Welfare Committee advanced a bill Thursday to provide some health services for some in the Medicaid gap, though it will face an amendment process first.

The bill, sponsored by Sen. Marv Hagedorn, R-Meridian, would create a limited system of primary care and drug cost support for poor patients.

Eligibility would be limited to those who make less than 100 percent of the federal poverty level (about \$24,000 for a family of four) but don't qualify for Medicaid. Only citizens who reside in the state would be eligible. Those whose employers offer insurance would be ineligible.

The program would focus on those with chronic conditions — diseases such as diabetes, asthma or heart disease which create regular health problems that require medical attention. Individuals with chronic conditions usually have the highest health care costs, and that's even more true if they are poor and uninsured, Hagedorn said. People in that situation do the only thing they can: go to the emergency room.

But regular charity care in emergency rooms is many times more expensive than effectively managing those conditions, he said. And when such charity care is provided, the rest of society picks up the unpaid bill, either through programs such as the state's Catastrophic Health Care program, or CAT Fund, or in higher prices charged by hospitals to recoup the losses.

Hagedorn's bill envisions running the program until 2022, when it would sunset. It would then have to be reauthorized or changed by lawmakers, otherwise it would expire.

It also envisions paying for care on a value-based "coordinated care" model rather than a "fee for service" model, an effort to push down health care costs. Physicians would be paid regular stipends for keeping patients healthy rather than being paid for the volume of examinations and procedures they perform, incentivizing them to provide less but more effective service, Hagedorn said.

Participants in the program would still face out-of-pocket costs, though they would be minimal. A physician could charge fees of up to \$20 per visit to patients.

Hagedorn said it's likely that a shortage of doctors will limit the reach of the program, so not all patients who are eligible may wind up getting services. But he argued it's a good first step that would allow the state to begin addressing the problem, and also to begin taking measures to push down health care costs statewide.

"We are paying for all of this care in one form or another," he said.

The bill was welcomed enthusiastically by some on the committee, including Sen. Mary Souza, R-Coeur d'Alene. Souza called the program a "hand up" rather than an "entitlement."

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The only opposition came from Sen. Maryanne Jordan, D-Boise, who commended Hagedorn on the effort, but said what the state should be doing is expanding Medicaid. Jordan pointed out that the health care plan recently unveiled by Congressional Republicans would allow states that expanded Medicaid to continue with expansion — at least temporarily. The only sensible option is for Idaho to expand as quickly as possible before the door closes for good, she argued.

“Medicaid expansion is clearly the best thing for Idaho,” she said.

There also are questions about how the program would be funded. In its current draft, the bill envisions drawing \$10 million from the Millennium Fund, but Souza pointed out that some of those funds have already been appropriated by the Joint Finance-Appropriations Committee, so funds will have to be sought elsewhere.

The bill now heads to the Senate floor for an open-ended amendment process, where an effort will be made to craft a bill that can gain enough votes to pass. If it succeeds there, it still faces a very tough fight in the House, where a similar bill has failed to win enough backing to gain a hearing.

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