



CONGRESSIONAL QUESTIONS

November 14, 2013

The Honorable Gus Bilirakis

1. Under the ACA, half of the newly covered uninsured will gain their coverage through Medicaid expansion. This could be a 16 to 23 million increase in the Medicaid population. Does the ACA provide an increase in the number of physicians taking Medicaid? If there is no increase in physicians, would Medicaid patients end up back at the ER waiting for care? Isn't this one of the problems that the ACA was supposed to fix when it expanded Medicaid?

The ACA does not address the potential physician shortage in the Medicaid program. Our existing Medicaid patients frequently use the ER for routine care because of lack of timely access to primary care physicians. Expanding Medicaid to 16 to 23 million more Americans will only make this access problem worse. Unfortunately, the goal of the ACA has been to get more people covered with health insurance, without real concern for access to health care. Forcing millions of Americans into a substandard health insurance plan will in no way improve their overall health.

2. Under Medicaid expansion, the Federal government pays 100% of the cost for the first three years and then 90% of the cost after that, but only for the newly eligible under the expansion. For the legacy individuals, those who qualify under the old rules, the state still has to pay a large share of that cost under the old FMAP rules. Doesn't this create a perverse incentive for the states to target the newly eligible rather than legacy individuals?

Yes. However, because of the "welcome mat" or "woodwork effect" caused by the advertizing of the expanded Medicaid, states will be faced with hundreds of thousands of eligible people in the legacy Medicaid program. Officials in Washington state, for example, are encouraging eligible people to sign up under the existing Medicaid plan. This will place a huge burden on the Washington state budget because of our 42/58 (state/federal) FMAP.

3. There seems to be a desire to push Medicaid expansion and higher FMAPs as a solution to many problems in Medicaid. If States don't share as great a burden as they used to in Medicaid, then they could be less invested in stopping fraud. If the Federal government pays for more of the cost, doesn't it make the State less likely to police the Medicaid program because they have less skin in the game? Might waste, fraud and abuse increase in the program?

Definitely. Estimates of waste, fraud and abuse in the existing Medicaid program run as high as 30% of the overall cost – and this is with the states managing the program and its funding. With money coming straight from the federal government, states will have minimal incentive to monitor waste, fraud and abuse of Medicaid.