

NASMD

National Association of State Medicaid Directors

an affiliate of the American Public Human Services Association

2009 HEALTH CARE REFORM

STATEMENT OF PRINCIPLES

An affiliate of the American Public Human Services Association



In the current political and fiscal environment, the state of America's health care has become an increasingly important topic of discussion. The number of uninsured individuals has risen significantly over the past decade, and the cost of health care services continues to increase faster than the rate of inflation. These issues, coupled with a shortage of many crucial health care providers, have created strong public sentiment regarding the need for health care reform. The National Association of State Medicaid Directors (NASMD) believes that the health care delivery system should be modernized through investments in health information technology, training programs to increase the pool of qualified workers, and adequate funding to support the industry. Investments should be combined with policies promoting coordinated preventive care.

In considering health care reform, NASMD urges congressional and administration officials to consider the following recommendations:

Refrain from Imposing Unfunded Mandates on States

During health care reform, many changes and modernizations of the current health care system will be inevitable. However, many of these changes will require targeted investments from the public and private sector. Nearly every state is already in a dire fiscal situation, and cannot handle increased burdens by unfunded mandates. New requirements, programs and investments must be fully funded. Furthermore, Congress should not utilize any clawback mechanisms to finance Federal programs with State money.

Include Medicaid Directors in any Discussion on Health Care Reform

Medicaid directors are uniquely positioned to speak to the national health care delivery system, with distinct knowledge of the nuances of local delivery. No reform can be successful without recognition of regional variance, including issues of cost of living, access to services in urban and rural areas, or cultural attitudes around health. Medicaid directors and their staff have experience designing and implementing statewide systems that incorporate this local variance. Health care reform should utilize the knowledge, skills, and experience of Medicaid agency staff to develop a system that effectively serves all localities.

Build on Existing State Innovations

Many states have used waivers to their Medicaid programs that allow programs to operate more efficiently and to expand coverage to uninsured individuals in order to promote access to care. National reform should not undo the positive gains already achieved in many states and localities. Rather, the success of these expansions should be utilized as part of the overall health care reform initiative.

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Create Value and Efficiencies

Currently, a number of important initiatives are under way that will reduce medical errors, improve quality of care, and reduce costs. Examples of these initiatives include implementation of e-prescribing, development of effective technology for telemedicine services, implementation of “medical home” models of care coordination, and increased utilization of electronic health records. Currently, many health reform proposals incorporate these models, and the recent American Recovery and Reinvestment Act invested in health information technology. The Medicaid program can be used as an example of an effective way to facilitate the development and adoption of these important initiatives.

Coordinate Group Purchasing at the Federal Level

Although every state program is unique, many of the contracts and services administered at the state level are the same across the country. Nearly every state has large contracts for a Medicaid Management Information System, prescription drug coverage, durable medical equipment, managed care providers, and other services necessary to properly administer health coverage. However, in many cases, states pay for the development and acquisition of these products and services individually; in some cases, Medicaid agencies are explicitly barred from cross-state coordination of bulk purchasing. The federal government should work with states to organize and coordinate value-based purchasing across health care systems and states. The states must be able to leverage the large purchasing power available to reduce costs and improve the efficiency and cost-effectiveness of care.

Increase the Pool of Qualified Health Care Workers

Congress and the Administration should invest in training for skilled nurses, personal assistants, geriatric care providers, rehabilitation specialists, and other health care professionals where the demand is outpacing the supply. Skill development and training programs could also provide career opportunities for historically underserved populations, such as TANF recipients or individuals with disabilities. The shortage of health care professionals has a disproportionate impact on individuals who are poor, disabled and elderly and must be addressed as our population continues to age.

Promote Greater Service Coordination between Multiple Payers

Promising practices in medical care involve greater coordination across multiple services, with a primary care provider acting as the point-person for all ancillary services. Current rules around data and information sharing, service coverage, and eligibility create gaps in coverage and barriers to coordinated services—particularly in the population that receives Medicaid and Medicare simultaneously. Implementing secure ways to share data and records regarding treatment and eligibility across systems, including Medicaid, Medicare, and private insurance, will improve the ability to coordinate care and services. This coordination will improve outcomes and decrease costs by reducing duplicate assessments and treatments.

Emphasize Coverage of Long-term Care

Medicaid currently represents the single largest payer for long-term care (LTC)—\$101 billion in 2005, or approximately 30% of total Medicaid expenditures and 49% of total national LTC spending. As policymakers consider health care reform, LTC must be addressed. As the US population is aging the demand for LTC services is increasing and will continue to increase. Without change, many of these individuals will be forced into poverty to access Medicaid LTC services. State and Federal legislators should develop ways to promote private coverage for LTC and to increase purchase of LTC insurance plans. Policymakers must also improve the availability of community based care in Medicaid. Institutional care still remains a “required” Medicaid service, while Home and Community Based care does not. Furthermore, individuals are still required to qualify for a Nursing Home before they can access home and community based services. A comprehensive approach for providing access to LTC services in the community is crucial to any national healthcare effort.

