

MINUTES OF THE PRESIDENT'S TASK FORCE ON MEDICAID REFORM.

The meeting was called to order by Chairperson Senator Stan Clark at 3:30 p.m. on March 5, 2003 in Room 234-N of the Capitol.

All members were present except:

Committee staff present: Emalene Correll, Legislative Research
Ann McMorris, Secretary

Conferees appearing before the committee:

James Frogue, American Legislative Exchange Council, Washington, D.C.
Julian Efird, private citizen

Others attending: See attached list

Approval of Minutes

Moved by Senator Lee, seconded by Senator Huelskamp, minutes for the meetings of the President's Task Force on Medicaid Reform held on February 6, 2003; February 10, 2003 at 9:30 a.m.; February 10, 2003 at 3:30 p.m.; February 13, 2003, February 17, 2003 and February 24, 2003 be approved. Motion carried.

Case History for Elderly Services

Mr. Efird, a private citizen, enumerated the various and many steps for services taken for an elderly person in the Medicaid program in a period of two years. (Attachment 1). He noted it would have been impossible for this person to handle the overwhelming paperwork without family assistance and there were occasions when diligence on the part of the family kept the elderly person from being billed for medications that were not delivered to the patient but were filled and not returned to the pharmacy. In another instance, a wheelchair had only two months payments to be paid off and be the property of the patient and the patient was moved from that facility to another and the wheelchair was going to be sent back and another ordered at the new facility and payments started over. Family intervention kept this from happening. He commented that a savings could be realized on durable medical equipment that can be bought and moved with the patient rather than each program purchasing the same equipment for the same patient as they move through different medicaid programs.

A.L.E.C. - American Legislative Exchange Council

James Frogue, director of the Health and Human Services Task Force, A.L.E.C. spoke on The Future of Medicaid: Consumer-Directed Care. (Attachment 2) He noted Medicaid needed a fundamental shift from its current structure into a system by defined contributions. Real choice needed in medicaid. Direct control by the consumer over the dollars being spent greatly improves consumer satisfaction because it is patient-centered and consumer-directed care. Florida, Arkansas and New Jersey have a defined contribution program called "cash and counseling". This program offers direct liability protection to physicians, lower cap, and the ability and incentive for the medicaid recipient to set aside money each month to save for a more expensive item related to their care. It allows states the choice to receive about a 2% increase in their federal match. It does not cover prescription drugs nor nursing home care. There has been no major fraud or abuse found. No waivers are required.

CONTINUATION SHEET

MINUTES OF THE PRESIDENT'S TASK FORCE ON MEDICAID REFORM at on March 5, 2003 in Room 234-N of the Capitol.

A round table discussion ensued with Bob Day, Janis DeBoer, Kirk Lowry, Jerry Slaughter, Bob Williams, Bob Harder, others in the audience and the committee.. Following much debate on pros and cons of various aspects of the current and proposed programs, Bob Harder offered to prepare a compilation of the ideas discussed and send it to the Chair for the next meeting.

The next meeting of the Task Force on Medicaid Reform is on March 6, 2003 at 9:30 a.m.

Adjournment.

Respectfully submitted,
Ann McMorris, Secretary
Attachments - 2