

Beacon Hill Byline – by Mary Rogeness

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Medicaid Changes Withdrawn

Many of you have written and called my office to express your concerns about Medicaid, specifically about changes in criteria for eligibility of nursing home residents. My answers may have been incomplete because the administration did indeed propose some changes, though none have been instituted. It is my pleasure to report that those alterations have now been withdrawn.

Here is a summary of the actions over the past few months. Because it is one of the fastest growing budget buster items in the state, Medicaid was targeted last year by Gov. Weld and the Legislature for cost control. The legislature approved a budgetary reduction of \$400 million to the \$2.9 billion dollar program, with specific cost reductions to be determined by program administrators. One proposal was to establish an income cap for nursing home Medicaid participation of approximately \$15,000 per year (2500 nursing home residents with pensions which exceed that level presently have the balance of their expenses paid by Medicaid).

The state first proposed “grandfathering” current residents, but federal regulators would not allow such a two-tiered system. After examining other methods of limiting future costs while protecting current residents, the administration last week announced a halt to the proposals for changes. Medicaid savings will have to come from other sources.

These are some of the reasons for the action. A majority of the states have tighter eligibility requirements than Massachusetts, but we are proud of the services we deliver. Faced with a middle income elderly person whose medical needs are greater than that income, our state's Medicaid program has filled the gap. Many organizations representing patients and their families have opposed changes to that generosity, and Medicaid administrators have agreed to look elsewhere for savings.

Where will the savings come from? Projected savings for the current fiscal year, will rely on cost containment programs in other areas. One example is the introduction of managed care for Medicaid participants. Future savings in the burgeoning costs of nursing home care will be sought through the development of new community-based alternatives to nursing home placements. Bruce Bullen, Medicaid director, uses the definition “medically needy” to explain a criterion that may be used in future administration of the program.

Like every other legislator, I have received letters from family members of nursing home residents. One writer refers to her mother, an Alzheimer's patient whose savings have all been spent on nursing care. She is now so ill that she can't even feed herself. Another tells of discovering while filling out the Medicaid paperwork that his mother qualifies for a Veterans pension because her late husband served in World War I. That small pension, added to her Social Security payment, gives her \$15,000 annually. Both women would have lost eligibility under the proposed cap. The stories of these and hundreds of others throughout the state have been heard in Boston, and I am happy to be able to report that their benefits are now secure.