

Health Law PA News

Newsletters of the Pennsylvania Health Law Project

Harrisburg Philadelphia Pittsburgh

Statewide Help Line: 1-800-274-3258

On the Internet: www.phlp.org

Volume 14, Number 3

May 2011

Cutting Medicaid in Pennsylvania: Federal and State Threats

Policy makers at the federal and state levels, seeking to close budget gaps, are looking to restructure and reduce funding for Medicaid, the federal and state funded program that provides vital health coverage to low-income families, people with disabilities, and other adults. In PA, Medicaid is known as Medical Assistance and currently covers over 2 million people. This newsletter discusses and critiques these proposals. While deficit reduction is important, it should not be achieved by jeopardizing health care security for millions across the nation, including hundreds of thousands of Pennsylvanians. Budgets should be balanced with both spending cuts and revenue increases, and not unfairly target crucial health programs for children, seniors and people with disabilities.

Medicaid, the Federal Budget, and Deficit Reduction

In Congress, there is proposed legislation that will drastically reduce funding for health services to Pennsylvania's most vulnerable residents by making significant cuts to Medicaid, as well by changing Medicaid into a block grant or "capped" program.

In May, the House Energy and Commerce Subcommittee on Health approved H.R. 1683, which would eliminate the maintenance of effort (MOE) requirement in the health reform law. This requirement is an important protection that prohibits states from reducing eligibility for Medicaid (and the Children's Health Insurance Program (CHIP)) or changing the rules to make it harder for people to enroll. Eliminating the MOE requirement would allow states to cut Medicaid eligibility for pregnant women, infants and children as well as seniors and people with disabilities. It would also allow states to impose additional bureaucratic barriers to applying for or renewing Medicaid coverage.

Further jeopardy looms in the form of House Budget Chairman Paul Ryan's federal budget proposal. That proposal would cut federal spending for Medicaid deeply over the next decade—slashing federal funding by one-third in 2021—and would change the program from a "federal match" into a "block grant". Other proposals, such as the CAP Act of 2011, S-245 (sponsored by Sens. Robert Corker and Claire McCaskill), don't mention Medicaid at all but pose a threat to the program every bit as serious as that of the Ryan proposal. The CAP Act would place a permanent cap on federal spending that is significantly lower than current spending, with automatic program cuts if spending exceeds

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this cap. Given the level of spending cuts necessary to meet the cap, it would be virtually impossible to avoid devastating cuts to Medicaid, rivaling those cuts outlined in the House Republican budget proposal introduced by Rep. Ryan. One analysis of the CAP Act estimates that federal Medicaid spending would be cut by \$547 billion from 2013 through 2021; in 2021, federal Medicaid spending would be cut by 19 percent. More proposals are being drawn up and debated, many of them likely to follow the same framework: explicit, massive Medicaid cuts or spending caps that will result in massive Medicaid cuts.

Eliminating coverage through Medicaid does not eliminate health care costs. In fact, eliminating coverage increases health care costs by shifting people to expensive emergency rooms after they have delayed care until a medical crisis occurs. To bring down Medicaid and CHIP costs, we must control overall health care costs. Controlling health care spending should be part of any thoughtful deficit reduction plan but Congress' focus should be on better, more efficient delivery of care rather than making massive spending cuts and shifting the costs to states, local communities, and families.

Persons alarmed by these proposals may wish to contact their elected officials in the federal House and Senate to support the current structures of Medicaid and Medicare and oppose cuts that would adversely affect the scope of services for low-income communities and the elderly.

PA House Proposes More Cuts to Health & Disability Programs

Responding to the outcry over cuts to education in Governor Corbett's proposed budget, the Pennsylvania House of Representatives passed their own budget proposal in late May. The House, which kept total spending at the level proposed by the Governor, restored some of the Governor's proposed cuts to education by reducing spending in other areas, particularly the Department of Public Welfare's (DPW) programs and services.

If enacted, the House's budget would cut an additional \$471 million to DPW than the Governor's

proposed budget; this includes a \$295 million reduction to Medical Assistance. Readers may recall that the Governor's proposed budget, which was released in March, already reduced Medical Assistance services by eliminating certain types of dental services and procedures for adults—such as crowns and dentures—and by rationing the number of prescriptions for adults to six medications per month (see March 2011 Health Law News detailing the Governor's proposed budget). If the House budget is adopted, further reductions to Medical Assistance programs and services will likely be necessary.

The House made other specific reductions to Medical Assistance. The House budget proposal reduces funding by almost \$10 million for the Medical Assistance Transportation Program (MATP), which funds counties to provide transportation or mileage reimbursement for persons on Medical Assistance traveling to medical appointments. This cut is linked to legislation, House Bill 1301, which would impose numerous additional requirements on persons seeking medical transportation through the Medical Assistance Transportation Program (see MATP article on the next page, detailing proposed legislation impacting MATP).

The House budget proposal further reduces funding for services to persons with disabilities. Funding for several Home and Community Based Services programs (*i.e.*, OBRA, Independence and CommCare Waivers) were reduced an additional \$1.5 million on top of the \$26.8 million reduction proposed in the Governor's budget. The House budget would also cut the Attendant Care Waiver and Act 150 Program by an additional \$1.8 million beyond the \$35 million reduction in the Governor's proposed budget. Services for older adults would also be cut. The Aging Waiver and the LIFE program would be cut by \$27.8 million more than the amount proposed by the Governor.

Services to persons with intellectual disabilities would have the same cuts as proposed by the Governor. This means no additional Person Family Directed Support or Consolidated Waiver slots will be created, and there will be cuts in payments to group homes totaling \$38 million.

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The House also proposed an additional 20% cut in funding for services to adults with autism spectrum disorders (the Adult Autism Waiver and the ACAP program). Services to persons with mental illness would also face an additional \$4.3 million cut beyond the cuts proposed by the Governor.

Additional details about the House's budget proposal can be found at the Pennsylvania Budget & Policy Center's website, www.pennbpc.org. The House's budget proposal has been sent to the Senate for consideration. The Senate Republican leadership will negotiate the budget with the House Republican leadership and the Governor. The budget that is finally approved by both the House and the Senate will be sent to Governor Corbett for his signature. Interested individuals should contact their state legislators to voice their opinion about the budget proposals. Future PHLP publications will have additional budget updates.

General Assembly Considering Bills Limiting MATP Program

The Medical Assistance Transportation Program (MATP) has come under greater scrutiny by the Pennsylvania General Assembly in the last year, particularly with regard to transporting Medical Assistance (MA) recipients to methadone maintenance programs. Two bills are currently under consideration that would limit a consumer's use of MATP services.

House Bill 1301, which passed the House of Representatives and is now under consideration by the Senate, imposes new rules on the MATP program. Most significantly, the bill:

- Limits a consumer's use of MATP transportation services to only the closest available provider that meets the recipient's medical needs;
- Limits MATP mileage reimbursement to the closest available provider, or 50 miles, whichever is less (unless the MATP program grants an exception); and
- Requires MA consumers who are seeking mileage reimbursement for a trip to report the names and addresses of any passengers in their vehicle.

These limitations infringe on a consumer's right to a choice of providers for any MA-covered service. In addition, for those MA consumers in Medical Assistance Managed Care Plans (HealthChoices), these MATP limits undermine a consumer's right to choose their Primary Care Physician and to obtain services from any provider within their plan's provider network.

Senate Bill 638 has been referred to the Senate Public Health & Welfare Committee where it remains under consideration. This bill is narrower than HB 1301 and only targets consumers using MATP to get to methadone maintenance clinics. Under SB 638, MA consumers seeking mileage reimbursement from MATP must go to the methadone clinic closest to their residence. The bill gives the MATP program discretion to develop an exception process based on medical emergencies and the availability of the closest provider.

The MATP program already has a policy restricting mileage reimbursement for trips to methadone maintenance providers: It only reimburses mileage up to the distance of one of the two closest in-network clinics to a consumer's residence. SB 638 should be amended to reflect the MATP current policy and allow consumers a choice of their methadone maintenance clinic.

PHLP will keep readers updated of any progress on these bills or other legislative efforts that will impact the MATP program. Individuals can contact their state senators to offer their input about either of the two proposed bills detailed above.

Populations with Limited English Proficiency Must Have Meaningful Access to Services

Pennsylvania's Medical Assistance physical health plans have been directed by DPW to comply with federal laws requiring them to accommodate the needs of their members with limited English proficiency as well as members with visual impairments. An individual with limited English proficiency (LEP) does not speak English as her primary language and has a limited ability to read, write, speak or understand English. LEP individuals include persons who are deaf or hard of hearing. Under federal law, Medicaid health plans must ensure that this population has meaningful access to services.

In April, DPW's Bureau of Managed Care Operations issued an internal Operations Memorandum (Ops Memo) notifying physical health managed care plans that members with LEP who have problems accessing interpretation services at provider sites, must be given in-person or telephonic interpretation services by the plans. Additionally, the Ops Memo:

- Prohibits the plans from having members use family members, friends, or untrained staff as interpreters;
- Requires the plans to make written materials accessible to members with visual impairments available upon request (*i.e.*, Braille, large print, audiotape or CD);
- Requires the plans to provide information in all written materials about how to access the material in other formats or languages;
- Requires the plans to disseminate their written materials in five prevalent languages (depending on the HealthChoices region);
- Requires the plans to ensure that all staff and providers understand the requirements of the Ops Memo and can access interpretation and translation services for their members/ patients.

Individuals not in a Medical Assistance health plan, including those in ACCESS Plus counties, who have problems getting an interpreter for their doctor's visit, should call DPW's Bureau of Fee For Service programs at 866-872-8969.

PHLP has been monitoring these matters. Availability of interpreter services has been problematic in the past. These revised clarifications should improve access. However, persons who are still unable to obtain interpreter services or written information in a language or format they require should contact PHLP's Helpline at 1-800-274-3258.

**Do you currently get the Health Law PA News through the mail?
Would you like to get these newsletters by e-mail?**

If so, contact staff@phlp.org to change the way you get your PHLP newsletters!

What is the SelectPlan for Women?

SelectPlan for Women provides family planning services to uninsured and underinsured women who are not pregnant or who have not had a procedure or treatment to prevent pregnancy.

Applicants qualify if they:

- Are between the ages 18-44;
- Are Pennsylvania residents and U.S. Citizens (or in a qualified immigration status);
- Have incomes below 185% of Federal poverty level (\$1,679/mo for a single woman and \$3,446/mo for family of four); and
- Lack family planning coverage.

Underinsured women are eligible if they meet these requirements and have health insurance that does not cover family planning prescriptions such as birth control pills. Women with health insurance who are afraid to use that coverage because of possible physical or emotional harm may also be eligible for SelectPlan for Women.

The program does not provide full Medical Assistance coverage, but it does cover family planning office visits plus Pap smears and breast exams, testing and treatment for sexually transmitted infections (including HIV), and all FDA approved contraceptives. Covered services are free for SelectPlan for Women recipients.

Even though the County Assistance Office processes the application, a woman who is applying for this program will not need to go to a County Assistance Office to apply. Instead, women can apply for this program in the following ways:

1. Online through COMPASS (www.compass.state.pa.us)
2. Completing a paper application and sending it to the local County Assistance Office—paper applications are available at participating physician offices and clinics, at local County Assistance Offices, or for download at www.selectplanforwomen.state.pa.us.
3. Going to any Pennsylvania Medical Assis-

tance practitioner who currently provides family planning services. A woman applying this way can ask the practitioner's office to enroll her immediately, online, via special screens in COMPASS. She should be able to be seen that day, and the practitioner can receive payment for the visit, on a fee-for-service basis. If the woman does not have all the necessary verification documents (such as a birth certificate and pay stubs) at the time of her visit, she will have 30 days to submit the necessary information via mail.

When applying, women need to provide proof of income (such as pay stubs), proof of citizenship (such as a birth certificate) and proof of identify (such as a driver's license or state identification card). Women who are married will need to provide proof of their spouse's income, too.

Applicants will receive a notice in the mail telling them whether they qualify for the program or not. Qualified women will receive an ACCESS card (unless they have already received one in the past). If a woman has been approved for this program and does not have an ACCESS card, she should call the Department of Public Welfare Change Center (statewide: 1-877-395-8930; Philadelphia: 215-560-7226) to request an ACCESS card. All women enrolled in the SelectPlan for Women program receive their family planning services using the ACCESS card; they are not enrolled in a Managed Care Plan (even if they live in a HealthChoices county).

SelectPlan for Women has existed since February 2008. As of March 2011, approximately 97,700 women were enrolled. More information about SelectPlan for Women is available at www.selectplanforwomen.state.pa.us or by calling 1-800-842-2020. Consumers can also find information regarding family planning services across the state at www.familyplanning.org, the website of the Family Planning Council of Southeastern Pennsylvania.

Erie County Contracts with a New Behavioral Health Managed Care Plan

Community Care Behavioral Health Organization (Community Care) will begin managing behavioral health (BH) services for most Medical Assistance recipients who live in Erie County on July 1, 2011. Erie County's Office of Mental Health and Mental Retardation currently contracts with Value Behavioral Health (Value) to manage those services for Medical Assistance recipients in BH-HealthChoices. That contract ends June 30th and Value did not submit a bid to the county for a new contract.

The HealthChoices Behavioral Health Program requires a 30-day notification to members if there is a change in the Managed Care Plan. Accordingly, affected consumers in Erie County were notified by letter on June 1st that Community Care will be their new managed care plan. Members will also be mailed a Community Care Member Handbook

Community Care reports that nearly 100% of the behavioral health providers enrolled with Value have already signed contracts with Community Care and that they expect the remaining Value providers to also agree to contract with them. Community Care and the Office of Mental Health and Substance Abuse Services' Western Regional Office report that the transition has been going smoothly so far. This means that HealthChoices members in Erie County should not have any disruption in the mental health or drug and alcohol treatment services they are currently receiving when Community Care takes over.

Members' rights with Community Care will be identical to the rights they had with Value. These include the right to receive services where their privacy is protected, the right to be treated in a considerate and respectful manner, and the right to file complaints and grievances. Erie County Medical Assistance recipients who have concerns about services they are receiving, or who are in need of behavioral health services should contact the Community Care Member Services line at 1-855-224-1777. Members having problems or concerns with Community Care or access to behavioral health providers in Erie County can contact PHLP's Helpline at 1-800-274-3258.

Please support PHLP by making a donation through the United Way of Southeastern PA. Go to www.uwsepa.org and select donor Choice number 10277.

A Fond Farewell To Two PHLP Staffers

This month PHLP is saying farewell to two staff members, Physician-Consultant Gene Bishop and Paralegal Grace Egun.

Dr. Gene Bishop is a practicing internist at the Edwin Wood Clinic at Pennsylvania Hospital and a Clinical Assistant Professor of Medicine at the University of Pennsylvania Medical School. She has been with PHLP on a part-time basis since 2001, when she was awarded a Soros Foundation "Medicine as a Profession" Fellowship to work with PHLP on pharmaceutical access in Medicaid managed care. The Kaiser Commission on Medicaid and the Uninsured published the findings of this project. In 2006, Dr. Bishop published an article in the New England Journal of Medicine on Medicaid policy and the concept of personal responsibility. Her recent work at PHLP included the Hospital Accountability Project, a collaborative that advocates for hospitals to be more responsible and accountable for providing medical care to uninsured individuals or individuals with limited insurance. Gene also advised members of the Consumer Subcommittee of Pennsylvania's Medical Assistance Advisory Committee (MAAC), one of the most active consumer advisory committees in the country. In these roles, Gene worked on statewide policy changes that improved thousands of clients' lives.

Grace Egun joined PHLP's Harrisburg office in 2003. During her time with PHLP, she provided individual representation and counseling through our Helpline to hundreds of families of children with disabilities helping them secure the health care services and treatment they needed. Grace also advocated and provided technical assistance for the creation and implementation of self-directed supports corporations for individuals with disabilities (these are called Microboards). Most recently, Grace coordinated a series of Parent/Youth/Professional Forums across the state. At these forums, children and youth with special health care needs, their parents and providers gathered to identify strengths and gaps in services for children and youth with special health care needs, and to develop policy recommendations to the PA Department of Health to address the gaps.

Gene and Grace were well regarded in their work and have been important members of the PHLP staff. We will miss them and wish them best of luck in their future endeavors.

Now Online! PHLP's Re-designed Website



We've redesigned our website so that it is easier to navigate and includes regularly updated news and stories about our work and health law issues in Pennsylvania.

All your favorite things about the old site—like our newsletter archives and helpful publications—are still at www.phlp.org along with new features like client stories and an easy online donation page to support our work.



*Helping People in Need Get
the Health Care They Deserve*

New and Improved Application for the Medicare Savings Program!

Applying for help with Medicare cost-sharing (premiums, deductibles, and coinsurance) should now be easier and result in people getting more help! The Department of Public Welfare (DPW) updated their application for the Medicare Savings Program (also known as the “Medicare Buy-In”) in May. The biggest change is that applicants are now asked if there was a change in their income or assets within the last three months and the application will now be automatically reviewed to determine if they also qualify for payment of their Part B premium in the previous 3 months. In the past, the application did not tell people that they could request these retroactive benefits or how to do that.

In addition, the application now has numbered questions and explains what information is needed. Although the new application is longer than the old one, the questions are worded more simply and are better formatted so it should be easier to understand and fill out. Another change is that the Clients Rights and Responsibilities section has been moved from the end to the beginning of the application. The revised application is a result of the settlement of a class action lawsuit (Garcia vs. Johnson) between Community Legal Services and the Department of Public Welfare. All local County Assistance Offices may not yet have these new applications available, but applications can be downloaded from DPW’s website: http://www.dpw.state.pa.us/ucmprd/groups/webcontent/documents/form/s_002633.pdf.

Pennsylvania Health Law Project

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