



## Medicaid Reform On Tap in September

*The ANA opposed original cuts but now supports 'reconciliation' legislation.*

**M**edicaid reform will be a top priority when Congress reconvenes in September. The budget resolution adopted by the House and Senate in April requires the committees with jurisdiction over Medicaid (the House Energy and Commerce Committee, the Senate Finance Committee) to produce legislation reducing spending by September 15. This reconciliation legislation must result in at least \$10 billion in Medicaid cuts over the next five years. It will be protected by the reconciliation process, which limits debate time and protects the bill from a filibuster in the Senate. As the Republicans hold a distinct majority in the House and Senate, the bill likely will be passed quickly.

Medicaid reform has become a Congressional priority because the program has recently grown greatly both in terms of enrollment and spending. Over the last five years, the Medicaid case load has increased by 40%. FY 2005 Medicaid spending is expected to total \$329 billion. Medicaid is now the nation's largest health care program, providing health and long-term care services to 53 million Americans. Medicaid provides comprehensive primary and acute care coverage for low-income children, parents, seniors, and people with disabilities. Some Medicaid beneficiaries also qualify for comprehensive long-term care services. Medicaid also helps finance services for people with chronic and disabling conditions such as HIV or AIDS and severe mental illness. Currently, Medicaid covers one out of every three births and one out of every

four children in the United States. It also finances care for 70% of nursing home residents. The ANA is closely monitoring Medicaid reform because all of these people rely on Medicaid for support not available elsewhere.

### THE NGA WEIGHS IN

The developing debate over Medicaid reform has provided some insight into the provisions that may be included in the Medicaid reconciliation bills. The National Governors Association (NGA) released its reform plan in June. The governors have proposed changing the reference price for prescription drug rebates from average wholesale price to average sale price. The NGA also would implement closed formularies, tiered copays, and multistate purchasing pools for drugs and grant Medicaid-managed care plans direct access to rebates on prescription medications. In addition, the NGA supports efforts to make it more difficult for people entering nursing facilities to transfer their assets to relatives instead of using them to pay for their care. The governors also urge Congress to grant the states broad authority to implement cost-sharing techniques such as premiums, deductibles, and copays.

### APRNs

The ANA is working to ensure that the Medicaid reconciliation bills remove current obstacles that restrain advanced practice registered nurses (APRNs) from fully participating in the program. Specifically, the ANA would like to see the Medicaid Advanced Practice Nurses and Physician Assistants Access Act of 2005 (HR 2716) included in the reconciliation bills. HR 2716 was intro-

duced in the House of Representatives on May 26 by representatives John Olver (D-MA), Sherwood Boehlert (R-NY), Lois Capps, RN (D-CA), and Steve LaTourette (R-OH).

This bill would require Medicaid to cover the services of all APRNs under fee-for-service coverage. In addition, it would change the laws governing Medicaid-managed care to provide better access to APRNs. Specifically, it would require Medicaid to recognize nurse practitioners and certified nurse-midwives as primary care case managers. In addition, it would require Medicaid-managed care panels to enroll nurse practitioners, certified nurse-midwives, certified registered nurse anesthetists, and clinical nurse specialists.

The ANA maintains that HR 2716 will improve the Medicaid program by expanding access to cost-effective health care services. Each year millions of Americans go without necessary health care because physicians simply are not available to them. This problem plagues rural and urban areas alike. Medicaid beneficiaries are particularly vulnerable, since in recent years a number of health care professionals have chosen not to care for them or have been unwilling to move to the communities where these beneficiaries live. APRNs are an exception to this trend; they frequently accept patients whom others will not treat and serve in areas with provider shortages. The appropriate use of APRNs will increase access to health care and decrease preventable acute care admissions and ED visits. ▼

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