

**Health Care For All  
FY 2005 House Ways & Means  
House Floor Amendments and Budget Analysis**

**Overall Health Spending:** MassHealth line items in the House budget vary to different degrees and in different directions compared to the Governor's proposal. The House budget decreases spending in line items by assuming a 4% growth in caseload (compared to the Governor's 8% increase), but increases spending by rejecting a number of the Governor's proposed cuts in payment rates, particularly for hospitals. Overall MassHealth spending levels are slightly below the Governor's proposal.

**Essential Underfunded:** The House budget seriously underfunds MassHealth Essential, which covers very-low income adults. The program is funded by the Uncompensated Care Pool and federal reimbursements. The current funding level, and the Governor's recommendation for next year, is for \$160 million. The House proposal only provides \$110 million, which will cover only about 25,000 of the 36,000 long-term unemployed who are expected to be eligible for the program. This funding level reverses the commitment made by the legislature last year to cover this group. Without adequate funding, the program will close enrollment and over 10,000 people will have no alternative other than using expensive hospital emergency rooms for their care.

**ACTION STEP: Rep. Deborah Blumer has introduced an amendment [clerk number 640] that would allow the program to cover around 36,000 people by using the available funding for a 9-month period (the current funding expires in October, so only a 9-month appropriation is needed). Call your Representative and urge him or her to support Rep. Blumer's MassHealth Essential amendment.**

**Immigrant Eligibility Restrictions:** The House Ways and Means budget terminates coverage for 2,750 legally residing senior and disabled immigrants who are expected to have their MassHealth benefits restored on June 1st. The proposal also continues to deny coverage for 7,000 additional adult legal immigrants who were cut from coverage by the FY 2004 budget.

**ACTION STEP: Rep. Antonio Cabral has introduced an amendment [# 839] to continue coverage for the senior and disabled immigrants who will be cut off under the proposed House budget. Rep. Byron Rushing [# 678] has introduced an amendment to restore coverage to all legal immigrants who were cut off last summer. Call your Representative and urge him or her to support these amendments.**

**Grandfathering Health Coverage for Immigrants Cut from Cash Assistance:** The House budget adopts the Governor's proposed cut of immigrants from EAEDC cash assistance. Section 82 appears to grandfather health coverage for current immigrants losing EAEDC cash assistance. No health coverage is offered to future immigrants who would have met the former EAEDC eligibility standards but who applied after February 29, 2004.

**Children's Medical Security Plan (CMSP):** Item 4000-0990 provides \$13.9 million to CMSP. While this is approximately \$2.1 million more than the Governor's proposal, it still falls short of the \$19.4 million that we believe the program requires. Over 12,000 kids are currently on the waiting list for CMSP, and the House budget will still leave over 9,000 with no coverage.

**ACTION STEP: Rep. Kathy Teahan has introduced an amendment [# 768] to provide full funding for CMSP. Rep. Deborah Blumer has introduced an amendment [# 652] to establish affordable premiums for children in both CMSP and MassHealth. Call your Representative and urge him or her to support these amendments.**

**Healthy Start:** Item 4000-0895 funds the Healthy Start Program at \$8.6 million, \$2.4 million over the Governor's proposal of \$6.2 million. DMA projects that costs for this program will total \$14.2 million. Healthy Start promotes early, comprehensive and continuous prenatal care for low-income, uninsured pregnant women. Beginning in FY 2004, this program became eligible for enhanced federal matching dollars. The state only pays for 35% of the total program costs.

**ACTION STEP: Rep. Elizabeth Malia has introduced an amendment [# 493] to provide full funding for Healthy Start. Call your Representative and urge him or her to support this amendment.**

**MassHealth HIV Expansion:** Item 4000-1400 increases funding from \$6.1 million to \$8.3 million. This amount remains far less than the amount appropriated in prior years, but is closer to the actual cost of running the program with the existing caseload. DMA projects program costs to be \$8.3M. Also, DMA has authority to enact enrollment caps in this program, as well as the CommonHealth and Family Assistance insurance subsidy programs. The eligibility level remains at 133% of poverty, reduced from 200% at the start of FY 2004.

**ACTION STEP: Rep. Jeffrey Sanchez has introduced an amendment [# 579] to repeal the authority to cap enrollment in the HIV, CommonHealth and Family Assistance programs. Call your Representative and urge him or her to support this amendment.**

**Disabled Managed Care Pilot Program:** Section 80 requires the creation of a single-provider managed care system for 25,000 disabled MassHealth recipients, whose care would be paid under a fixed per member per month capitated rate. A more restrictive, but similar proposal was included in last year's House Ways & Means budget, but was rejected by the Senate and did not survive conference committee. This year's language does not establish the fixed reimbursement rate; last year, it was set at a level substantially below the current costs of care.

**Personal Care Attendant Services:** Under section 36, the House committee adopts the Governor's proposal to allow the Administration the open-ended authority to amend the standards for personal care attendants.

**Prescription Advantage** is funded at \$110 million, which should be sufficient to meet the program's needs. However, if the program is projected to exceed this appropriation, the office of elder services is directed to control costs. Section 76 lists a number of cost controls that can be implemented including: limiting enrollment and/or eligibility, increasing out of pocket spending limits, increasing deductibles, increasing co-pays, or increasing premiums.

**ACTION STEP: Rep. Paul Demakis has introduced amendments [# 990] to strike the language that limits benefits and access in the Prescription Advantage program. Call your Representative and urge him or her to support these amendments.**

**Uncompensated Care Pool:** The House proposal increases overall pool funding by \$54 million above the Governor's proposal. Hospitals will get significantly more than the Governor proposed, while community health centers are cut compared to the Governor. The House bill continues the restriction on hospital services ("critical access services") reimbursable by the Pool included in last year's budget.

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