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Why the GOP health plan could be especially hard on Pa. Medicaid patients

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Zachary Lewis, on summer break from college, was crossing Island Avenue in Southwest Philadelphia in 2001 when he was hit by a car. He awoke from a coma on Sept. 11, seeing planes hitting the World Trade Center. He had become a paraplegic.

Today, Lewis, 34, lives in an apartment with the help of part-time attendants, who get him up and into his wheelchair in the morning and stay with him at night because his health is fragile. "They give me that push to be independent," said Lewis, who insists on getting around town via SEPTA bus.

"I go where I want to go. I do what I want to do," he said. "Every day I have a choice."

His help is paid by Medicaid, the state-federal health-care program. He fears congressional Republicans' plans to repeal and replace the Affordable Care Act could also mean cuts to the Medicaid services he receives.

He has good reason to be worried.

The GOP bill alters how Medicaid works, changing it from an open-ended entitlement program to one that is limited to a set amount per person each year, no matter if more people need help, or if costs go up.

Policy analysts and advocates for numerous medical organizations project that cutting federal support will transfer the burden to the states, which will be faced with tough decisions among competing priorities.

"Somebody is going to lose," said Joan Benso, president and CEO of Pennsylvania Partnerships for Children. "The notion that we would trade children's needs for pregnant women's or the disabled or the elderly," she said in an interview, "that is an untenable set of choices that no policymaker wants to be a part of."

The nonpartisan Congressional Budget Office has yet to release its analysis of how the complex bill would affect health care and ~~budget~~ spending nationally; state-level projections can be tricky and highly partisan.

Gov. Wolf said last week that Pennsylvania would eventually lose \$2 billion in federal funding for people who gained Medicaid coverage just since the ACA expanded the program. Harrisburg, which is already facing a \$3 billion budget deficit, couldn't possibly make up the difference, he said.

New Jersey and many of the 30 other states that also expanded Medicaid would face similar challenges. Pennsylvania, though, could be particularly hard-hit.

- Addiction has driven the state's overdose-fatality rate to sixth-highest in the nation. Medicaid expansion covers treatment that was not previously available to much of the population, and more than 120,000 residents have been treated for alcohol or drug disorders through the program, nearly a fifth of the enrollees.
- Pennsylvania is among the top 10 states with the largest share of senior residents, traditionally the greatest users of health care. Medicaid -- not Medicare, the federal program for the elderly -- foots the bill for nursing homes after charges (which approach \$10,000 a month in the Philadelphia region) have drained seniors' bank accounts.
- Pennsylvania's Medicaid program historically has been more generous than most to people with severe intellectual and physical disabilities. For decades, the state has found options that were "really creative to keep people with disabilities out of institutions," said David Mandell, a psychiatry professor and disabilities-policy expert at the University of Pennsylvania. He cowrote a commentary last week in the New England Journal of Medicine, Care for Autism and Other Disabilities — A Future in Jeopardy.

Medicaid was created in 1965 as a joint state-federal program to cover specific ~~types~~ categories of poor patients, such as pregnant women and people with certain disabilities. States could choose the benefits they would offer, limiting their costs, though the federal government provides funds that match state investments at least dollar for dollar (a "match" of at least 50 percent).

Former President Barack Obama's Medicaid expansion meant anyone who qualified by income - - currently about \$16,600 for a single person -- could get coverage if their state accepted the program. As incentive, the federal government paid the entire cost for the first three years; now more than 11 million people are enrolled nationwide.

The GOP's proposed American Health Care ACT (AHCA) changes traditional Medicaid from an entitlement program that expands according to need to a per-capita funding formula capped at 2016 levels and then pegged to medical inflation, which historically has not kept up with the program's costs.

Current Medicaid expansion populations are grandfathered in -- states would be guaranteed a match no lower than 90 percent -- but states won't get that generous match if coverage lapses for 30 days, a typical scenario as people move between jobs.

Some conservative organizations want bigger cuts. Even the pre-expansion funding match "encourages states to expand both enrollment and benefits far beyond what they would if states

bore the full marginal cost," according to Michael F. Cannon, director of health-policy studies for the Cato Institute.

But some Republican governors, most notably John Kasich of Ohio, have lobbied President Trump and congressional leaders to leave Medicaid largely alone, warning of devastating cuts in insurance coverage and ballooning state budget deficits. Others have tried to stay out of what many see as a no-win partisan battle.

Leaders of the Republican House and Senate caucuses in Harrisburg last week didn't return ~~calls~~ ~~for~~ messages requesting comment. Gov. Christie, one of the first Republican governors to embrace expansion back in 2013, has been quiet, too.

New Jersey has one of the most comprehensive Medicaid programs in the country ~~but~~ balanced by one of the stingiest reimbursement rates for doctors. With the state's budget woes, provider pay "will probably be frozen at that rate," said Raymond Castro, senior policy analyst at New Jersey Policy Perspective.

Lawmakers in Harrisburg are also in a bind. "Seventy-two percent of our Medicaid spending is going to seniors and adults with long-term disability," said Kristen Dama, an attorney who focuses on Medicaid policy at Community Legal Services of Philadelphia.

"We are talking about people who are your neighbor, your cousin, a family member," said Ted Dallas, secretary of the Department of Human Services.

"I don't know how you make those decisions, and I certainly don't want to make those decisions," Dallas said in an interview.