

Illinois' health care worries show downside of Medicaid expansion

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The Republican plan to move past Obamacare could see the biggest change to Medicaid in 50 years. And that's precisely what scares leaders at the Illinois capitol.

Mike Tanner with the Cato Institute said Illinois' opposition to the proposed Obamacare changes is about money.

"It is less a case of ideology than it is about perception," Tanner said. "Democrats and Republicans have the same viewpoint when it comes to federal money. They want the money and they don't want the strings."

Tanner said Republicans in Congress want to give states more freedom to manage their Medicaid programs, but that could mean less money.

"Resources are finite. And governing is about making choices," Tanner said. "The fact is that Medicaid is gradually squeezing out funds that are available for the other things that government does."

Tanner said Illinois might be forced to choose between offering Medicaid to single moms and older folks, or the newly eligible young men without children who signed up under Obamacare.

Tanner points to other states, Indiana and Kentucky included, that have plans to manage their Medicaid systems differently.

Kentucky wants to charge people on Medicaid small premiums and co-pays. Indiana allows residents to start health savings accounts.