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## Health care reform means ND Medicaid expansion

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### BISMARCK, N.D.

The federal health care overhaul will greatly increase the number of North Dakota residents who are eligible for Medicaid, at a cost of about \$106 million over eight years, the state Department of Human Services estimated Wednesday.

For the first time, single people or married couples who do not have children will be able for the federal-state Medicaid program for the poor if they meet income guidelines, Maggie Anderson, the agency's medical services director, told legislators at a hearing called to explore the legislation's financial impact to North Dakota's state budget.

About 60,000 North Dakota residents now get Medicaid benefits. Anderson said the federal legislation would boost that number by about 50 percent, to 90,000 recipients. The expansion takes effect in three years.

Anderson said uninsured single adult North Dakotans would likely find Medicaid attractive if they could afford no other health coverage. She said the estimates of the program's growth were preliminary.

"There are so many unknowns, and we don't know what people will actually do in the end in terms of coming out to apply for benefits," she said in an interview.

Medicaid's income ceiling is now 133 percent of the federal poverty level, which is about \$14,400 for a single person and almost \$30,000 annually for a family of four.

North Dakota spends about \$1.4 billion every two years on Medicaid, including federal money. The state expenditure is about \$400 million, said Brenda Weisz, the department's chief financial officer.

The federal legislation requires states to take part in insurance exchanges designed to make it easier for uninsured individuals and small businesses to buy coverage.

Adam Hamm, the state insurance commissioner, presented estimates Wednesday that it would cost at least \$3.8 million every two years for North Dakota to establish the exchange. He said the agency may need to hire 19 additional workers.

"To put it mildly, these health insurance exchanges, when fully operational by 2014, are going to change the landscape of how health insurance is delivered, how health care is delivered, and how health insurance is regulated in all the states," Hamm said.

Sparb Collins, director of the North Dakota Public Employees Retirement System, which administers health benefits for state workers, said some of the federal bill's provisions -- it removes lifetime benefit limits, and requires insurance plans to cover a family's adult children until age 26 -- will raise the cost of insurance coverage

slightly.

Rep. Al Carlson, R-Fargo, the House Republican majority leader, said it would take considerable work for lawmakers to begin to grasp the ramifications of the federal health care legislation.

"It's the law of the land and we'll have to work with it," Carlson said. "It's up to us to sort it out the best we can."

The Legislature's interim Industry, Business and Labor Committee has been tracking the health care measure, and its chairman, Rep. George Keiser, R-Bismarck, said it will continue working to determine its effects in the run-up to the 2011 Legislature.

Wednesday's hearing included presentations by analysts for the National Conference of State Legislatures, the National Association of Insurance Commissioners and the Cato Institute, a libertarian think tank based in Washington, D.C., that is skeptical of government entitlement programs.

Republicans control both the North Dakota House and Senate. Democrats and other supporters of the federal health care legislation said the hearing appeared to be stacked against the measure, although Keiser said there were a number of attempts to bring in witnesses sympathetic to it.

Janis Cheney, North Dakota state director of the AARP, said the health care legislation had a number of positive features, including more aid for seniors who need prescription drugs, broadened Medicaid coverage and the ability of parents to keep their children on their insurance policies until age 26.

"I was, quite frankly, a little disappointed that it wasn't approached more from the point of view of, 'This is important legislation ... what's the best thing we can do with it moving forward?'" Cheney said of the hearing's tone. "It was kind of a negative bent."