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Testimony for SB 1364 "AAC Medicaid Reimbursement Rates to Health Care Providers"

My name is Rhona Cohen and I am the director of the Health Care For All Coalition and first I'd like to thank Senator Harris, Representative Villano and the whole Human Services Committee for holding this hearing and, in so doing, raising the issue of health care providers' Medicaid reimbursement rates up to public scrutiny and for public debate. Health Care For All is a statewide organizational coalition that's been growing for the last twenty five years. It consists of approximately 45 organizations. One third are labor organizations, one third are health care and community advocate groups, and one third are providers and provider organizations and associations. I am here today representing the coalition in support of raised bill 1364. We hope that this hearing will help to clarify, at least a part of, the solution to access to health care for those people in the state relying upon the state's safety net for support in maintaining their health and well-being.

On Wednesday Feb. 28th, in a Washington Post article, "For Want of a Dentist," Mary Otto's readers were shocked by the death of 12 year old Deamonte Driver. In the first two sentences we read how senseless and preventable this tragedy was -- an eighty dollar tooth extraction could have saved his life. And why couldn't he get that tooth extraction? In Maryland as well as here, very few dentists provide service to those covered by Medicaid, one reason for this is that the rates of reimbursement they receive for providing their much needed services are far too low. The same is true of health care providers in this state and without their services lack of access becomes for too many a life threatening issue.

For all of the Deamonte Drivers that live in this state, we are pleased to see that there is a proposal to increase provider rates, something which is sorely needed in the Medicaid and SAGA programs. We believe that these rates should be increased to 100% of Medicare rates. Increasing provider rates under these programs is a critical step in addressing the serious access problems for Medicaid recipients.

Unfortunately, however, for HUSKY, any increase in these low rates will be for naught if there is not a mandate that 100% of the increases actually go to the providers, which is very difficult as long as we pay capitated HMOs. This is because, in the words of a recent court decision, based on testimony of HMO and DSS officials, "the MCOs' unilateral authority to set provider fees goes to the essence of Medicaid managed care."

In addition, even if increased rates for HMO providers could be mandated to actually get through to the providers, this would hardly solve all of the access problems under HMO-managed care. This is because many providers do not want to participate in the HUSKY plans because of the extraordinary administrative burdens imposed by the

HMOs, both to get prior authorization and to actually get **paid**, once a provider has stuck it out long enough to actually get prior approval.

There is a broad-based coalition pushing for PCCM for the Medicaid population that needs it -- families and children currently forced to try to get care from poor-performing HMOs-- so as to offer an alternative to these families and put some pressure on the HMOs to finally be accountable. The evidence of access problems under the CT Medicaid managed care system is extensive. An October 2006 "secret shopper" survey, commissioned by DSS, concluded that "[a]ccess to care is found to be *deficient across all health plans and provider groups.*"

Providers should be fairly compensated for the care they provide to the poorest portion of Connecticut's population. Maybe if they did, the poor would not feel systematically humiliated when they seek out help to improve and maintain their health. We've heard a lot about health care this session, even more I fear we've heard about health insurance. These are not the same things, the second, health insurance, does not automatically procure the first, health care. What we really must do to finally fix the health care system in this state and country is to seriously reform the system so that health care not profit becomes the primary cost driver.