

## Protect Medicaid

*Proposed Medicaid cuts will cause real suffering and increase state costs*

### **REJECT CUTS TO THE ILLINOIS MEDICAID PROGRAM**

Governor Rauner has proposed \$1.5 billion in Medicaid spending reductions for FY16. The reductions in rates, eligibility, and benefits threaten meaningful access for member and financial sustainability for providers. The proposed reductions are too numerous to list here, but a selected analysis is below.

#### **Eliminating adult dental benefits (\$32 million):**

- Oral health is essential to everyone's health. Untreated dental problems can lead to other health complications such as potentially serious infections, hospitalization, and severe pain and suffering.
- Without dental benefits, the only recourse for Medicaid adults would be emergency tooth extraction. Permanently removing teeth can lead to future health problems and issues obtaining employment.
- **Medicaid costs to treat preventable dental problems in the ER increased by 50% after the SMART Act.**<sup>i</sup>
- Inpatient hospitalization for dental problems average \$6,500; a visit to a community dentist averages \$600.<sup>ii</sup>
- Illinoisans visited the ER for preventable dental problems over 75,000 times in FY14.<sup>iii</sup>

#### **Removing the four drug prior authorization exemption for antipsychotic medication (\$4.6 million):**

- Many individuals diagnosed with a severe mental illness take far more than four medications.
- Requiring prior authorization for antipsychotic medication can lead to gaps in treatment and relapses of symptoms. **Hospitalization is often required to regain stability and symptom remission.**
- Hospitalization for a symptomatic individual diagnosed with schizophrenia or bipolar disorder typically costs \$15,000-\$20,000. An estimated 25,000 Medicaid beneficiaries with disabilities suffer from bipolar disorder or schizophrenia. Increased hospitalization due to medication gaps could cost more than \$4.6 million.<sup>iv</sup>
- Most states with a prior authorization policy for prescriptions exempt antipsychotic medications.

#### **Eliminating renal dialysis outpatient services and kidney transplants for noncitizens (\$16.3 million):**

- Approximately 600 noncitizens currently receive outpatient renal dialysis. Without outpatient services, they would need to regularly go to the emergency room or face life-threatening health complications.
- Currently, noncitizens with a living donor can obtain coverage for the transplant and needed follow-up. The General Assembly put this program in place last year.
- **A kidney transplant pays for itself in two or three years compared with ongoing renal dialysis.**<sup>v</sup>

#### **Eliminating the Breast and Cervical Cancer Program (\$32.3 million):**

- The Illinois Breast and Cervical Cancer Program (IBCCP) provides free mammograms and Pap tests to women aged 35 to 64 who are uninsured and provides Medicaid coverage for those who are diagnosed and have income at or below 250% of the Federal Poverty Level.
- From 2008-2013, IBCCP detected breast cancer in 703 women and cervical cancer in 1,524 women.
- Reducing Medicaid coverage for women who have been diagnosed with breast or cervical cancer would reduce access to care. These diagnoses *would not* trigger a special enrollment period, and **these women would not be able to enroll in Marketplace coverage until open enrollment.** Enrollment assistance will also be difficult to obtain with funding for the Illinois Navigator Program set to end on June 30, 2015.
- Marketplace coverage may be unaffordable for lower income women. Cancer treatment is very expensive and typical Marketplace plans often have deductibles of several thousand dollars.

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## References:

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- <sup>i</sup> Van Kanegan, M. (2015). Impact of SMART Act cuts to adult dental services under Medicaid in Illinois, a comparison study Fiscal Years 2010 to 2014. Analysis of Illinois Department of Public Health data.
- <sup>ii</sup> E. Pettinato, M. Webb and S.N. Seale, "A comparison of Medicaid reimbursement for nondefinitive pediatric dental treatment in the emergency room versus periodic preventive care," *Pediatric Dentistry* 22 (2000): 463-468; C.N. Bertolami, "Health Care Reform Must Include Dental Care," Roll Call, (April 23, 2009).
- <sup>iii</sup> Van Kanegan, 2015.
- <sup>iv</sup> Adapted from Driscoll & Fleeter (2008). Estimate of the Net Cost of A Prior Authorization Requirement for Certain Mental Health Medications. NAMI Ohio.
- <sup>v</sup> Oberholzer, J. (2014). Lifting the Ban on Living Donor Kidney Transplantation on Undocumented Patients in Illinois. Health Policy Brief.