

PCB HIS 17-01

ORIGINAL

YEAR

1 House Memorial

2 A memorial to the Congress of the United States,

3 urging Congress to establish Medicaid block grants.

4

5 WHEREAS, the Florida Medicaid program covers over four

6 million people at a cost of \$25.8 billion in Fiscal Year 2016-

7 2017, or 31 percent of the total state budget, and grows in cost

8 and enrollment each year, and

9 WHEREAS, nationally, the vast majority of the increase in

10 insurance coverage under the federal Patient Protection and

11 Affordable Care Act is due to increased enrollment in Medicaid,

12 not employer-based or other private coverage, and

13 WHEREAS, nationally, the Medicaid program is a stigmatizing

14 welfare program that achieves poor quality outcomes and

15 segregates taxpayer-supported, low-income patients from the

16 health coverage market used by privately-supported patients, and

17 WHEREAS, the Medicaid program is a federally-proscribed,

18 complex system of eligibility, financing, and service delivery

19 models, subject to extensive, complicated, prescriptive and

20 outdated federal laws and regulations, and

21 WHEREAS, opportunities for innovation and modernization are

22 limited and only available through waivers of federal law

23 awarded in an unpredictable manner after lengthy bureaucratic

24 negotiations, and

25 WHEREAS, the current financing model of federal matching

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26 funds encourages states to shift state spending into the  
 27 Medicaid program, which both drives up costs and creates a  
 28 perverse economic incentive such that states gain little benefit  
 29 from efficiency and bear little risk for wasteful expenditures;  
 30 and

31 WHEREAS, a reasonable, predictable funding mechanism that  
 32 does not incentivize state spending increases will force states  
 33 to make more rational, efficient spending choices, naturally  
 34 reducing the rate of cost growth, and

35 WHEREAS, granting states complete flexibility with regard  
 36 to eligibility, benefits and state investment, while holding  
 37 states to mutually agreeable quality outcomes, will help states  
 38 transform the Medicaid program into an innovative consumer-  
 39 driven, free-market program that integrates enrollees into the  
 40 larger health care system, NOW, THEREFORE,

41  
 42 Be It Resolved by the Legislature of the State of Florida:

43  
 44 That the Congress of the United States establish Medicaid  
 45 block grants in lieu of Title XXI funding; and

46 That the Medicaid block grants shall consist of risk-  
 47 adjusted, income-adjusted, per capita amounts for each state  
 48 based on current federal funding and annually indexed for  
 49 inflation; and

50 That the Medicaid block grants shall allow states to design

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51 new Medicaid programs not subject to the requirements of Title  
 52 XXI and regulations adopted thereunder, but which shall be  
 53 subject to quality monitoring by the federal government based on  
 54 mutually agreed-to outcome measures; and

55 That the Medicaid block grants shall be implemented in a  
 56 multi-year transition to eliminate funding disparities between  
 57 states.

58 BE IT FURTHER RESOLVED that copies of this memorial be  
 59 dispatched to the President of the United States, to the  
 60 President of the United States Senate, to the Speaker of the  
 61 United States House of Representatives, and to each member of  
 62 the Florida delegation to the United States Congress.