

NATIONAL MEDICAL ASSOCIATION  
TESTIMONY TO THE US MEDICAID COMMISSION

25 January 2006 , Holiday Inn Bathesda, Md

Presenter:

Walter L Faggett MD  
President DC Med Chi  
NMA affiliate  
Washington ,D.C.

**Affiliate Organizations:**

**Blacks in Government**  
**Congressional Black Caucus**  
**Judicial Council of the National Bar Association**  
**Joint Center for Political and Economic Studies**  
**National Association of Black County Officials**  
**National Black Caucus of Local Elected Officials**  
**National Black Caucus of State Legislators**  
**National Caucus of Black School Board Members**  
**National Conference of Black Mayors**  
**World Conference of Mayors**

THANK YOU FOR THE OPPORTUNITY TO SHARE OUR CONCERNS ON THE IMPACT OF MEDICAID CUTS ON THE AFRICAN AMERICAN COMMUNITY.

THE NATIONAL MEDICAL ASSOCIATION (NMA) , IS THE NATIONS LARGEST MEMBERSHIP ORGANIZATION FOR PHYSICIANS OF AFRICAN DESCENT MANY OF WHOM SERVE MEDICAID BENEFICIARIES ;AND WE HAVE GRAVE CONCERNS ABOUT THE IMPACT OF THE 2006 BUDGET CUTS ESPECIALLY IN MEDICAID.

I AM DR WALTER FAGGETT PRESIDENT OF DC MED CHI WASHINGTON,D.C.  
REPRESENTING  
Dr SANDRA GADSON MD, PRESIDENT OF THE NMA AND A PRACTICING NEPHROLOGIST  
IN GARY INDIANA,  
AND WE AGREE WITH THE CONGESSIONAL BUDGET OFFICE ESTIMATE THAT :

--.OF THE \$12 BILLION INCUTS TO MEDICAID, 75% NEARLY \$9BILLION- IS DUE TO PROVISIONS THAT HURT BENEFICIARIES.

--THE VAST MAJORITY -80% , OR \$1.2 BILLION OVER FIVE YEARS- OF THE SAVINGS FROM COST SHARING INCREASES ARE BECAUSE BENEFICIARIES WILL BE FORCED TO CUT BACK ON THEIR USE OF HEALTH SERVICES. THE REMAINING SAVINGS FROM COST -SHARING WILL HIT PROVIDERS IN THE FORM OF LOWER PAYMENTS, TO THE TUNE OF \$300MILLION IN PAYMENT CUTS OVER FIVE YEARS.

--HALF OF THOSE AFFECTED BY THE REDUCTIONS IN BENEFITS- SO CALLED "BENEFIT FLEXIBILITY" WILL BE CHILDREN.  
BY 2015 , 5 MILLION INDIVIDUALS WILL FACE BENEFIT CUTS. MOST OF THE SERVICES THAT BENEFICIARIES WILL LOSE IN THE REDUCED BENEFIT PACKAGES WOULD BE FOR MENTAL HEALTH, CERTAIN THERAPIES, DENTAL AND VISION AS WELL AS NEW RESTRICTIONS ON AMOUNT, DURATION, AND SCOPE OF SERVICES COVERED.  
"DISPARITIES IN HEALTH CARE WILL GET WORSE NOT BETTER IF WE ALLOW THIS BUDGET TO PASS " CONCLUDES DR GADSON

THE NMA AGREES WITH THE RECOMMENDATIONS FROM THE AFFILIATE ORGANIZATIONS LISTED WHO MET AT A POLICY SUMMIT CONVENED BY THE JOINT CENTER FOR POLITICAL AND ECONOMIC STUDIES 19 TO 20 JANUARY 2006 REPRESENTING BLACK ELECTED OFFICIALS AND BLACK GOVERNMENT EMPLOYEES.

A LETTER WAS FORWARDED TO THE COMMISSION 20 JANUARY 2006 AND RECOMMENDATIONS INCLUDED:

--CONSIDER AND APPRECIATE MEDICAIDS'S ROLE IN SUPPORTING THE SAFETY NET AND SERVING MINORITIES.  
( E.G.AVOID LIMITING MEDICAID'S ENTITLEMENT STATUS AND OTHER SIMILAR POLICIES THAT CREATE NEGATIVE ECONOMIC EFFECTS ON STATE ECONOMIES AND THE HEALTHCARE SAFETY NET; AVOID POLICIES THAT REDUCE ACCESS FOR

MEDICAID BENEFICIARIES SUCH AS HOMELESS OR ELDERLY PEOPLE WHO ARE  
LIMITING BENEFITS.)

--REQUEST THAT CMS IMPROVE REVIEWS OF RACIAL OR ETHNIC DISPARITIES IN  
MEDICAID AND WORK WITH STATES TO CONDUCT STATE-LEVEL DISPARITIES  
ANALYSES. CMS SHOULD REQUIRE THAT QUALITY IMPROVEMENT TECHNIQUES  
INCLUDE MEASUREMENTS /DATA COLLECTION FOR RACIAL /ETHNIC  
CHARACTERISTICS OF PATIENTS. BOTH STATE AND FEDERAL OFFICIALS SHOULD USE  
THESE ANALYSES TO DEVELOP POLICIES FOR REDUCING DISPARITIES.( WE ARE  
DOING THIS IN WASHINGTON ,DC AND OTHER STATES )

DECISIONS TO CHANGE AND OR REFORM THE MEDICAID PROGRAM MUST ACCOUNT  
FOR MEDICAID'S MULTIFACETED ROLE IN THE HEALTHCARE ECONOMY AS WELL AS ITS  
UNIQUE SIGNIFICANCE FOR AFRICAN AMERICANS .  
WE ENCOURAGE YOU TO CONSIDER CAREFULLY TAILORED REFORMS THAT DO NOT  
JEOPARDIZE PATIENT ACCESS TO MEDICAL CARE WITH RESULTANT NEGATIVE IMPACT  
ON THE ECONOMY AND INCREASE IN MORBIDITY AND MORTALITY IN THIS  
VULNERABLE POPULATION

THANK YOU FOR YOUR CONSIDERATION OF OUR CONCERNS.

I AM AVAILABLE FOR QUESTIONS.



Walter L. Faggett MD  
President DC Med Chi (An NMA Affiliate )  
Medical Director DC Medicaid/HCSNA  
DC DOH  
Washington , D.C.