

Medicaid Matters

Medicaid gets \$39.1 million bonus for efforts to enroll more children

The Alabama Medicaid Agency has received a \$39.1 million federal performance bonus for the effectiveness of its innovative and user-friendly methods to enroll more low-income children in Medicaid during Fiscal Year 2009, Governor Bob Riley announced December 17.

Alabama was one of only nine states receiving a performance bonus from the U.S. Department of Health and Human Services.

Governor Riley said, "Ensuring the health of our children is essential to the future of our state. By taking advantage of this opportunity, Alabama Medicaid has made it possible for more children who qualify for Medicaid to access basic health services. The fact that Alabama is one of only nine states receiving a performance bonus, and we are receiving the largest bonus, demonstrates the effectiveness of our innovative program."

While nine states qualified for a performance bonus, Alabama received over half of the \$72.6 million awarded. Other states receiving bonuses included Alaska, Illinois, Louisiana, Michigan, New Jersey, New Mexico, Oregon and Washington.

The bonus, awarded by the U.S. Department of Health and Human Services, is one of nine awarded nationally to recognize states which had implemented at least five of eight program

features known to promote enrollment and retention in children's health insurance coverage and had increased state Medicaid enrollment above a target set by federal law. The bonus payments were part of the 2009 Children's Health Insurance Program Reauthorization (CHIPRA) legislation signed into law in February 2009.

"One of the primary goals of the CHIPRA legislation was to boost enrollment among eligible, uninsured children, especially those who were qualified for Medicaid," said Alabama Medicaid Commissioner Carol H. Steckel. "Thanks to the many efforts of our eligibility staff and a strong partnership between ALL



Photo Credit: Robin Cooper, Governor's Office.

Kids and the Alabama Child Caring Program, more Alabama children will benefit from Medicaid-covered health care services." [Read more >>](#)



- ◆ **Providers, contractors asked for cuts to balance FY 11 General Fund**
- ◆ **Alabama official protests unfunded cost burden of health reform**

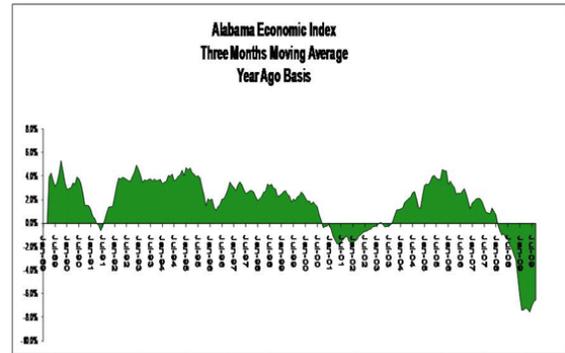
Providers, contractors asked for cuts to balance FY 11 General Fund

Alabama Medicaid Commissioner Carol Steckel appealed to the Agency's providers and contractors in December for help in filling a General Fund budget shortfall of about \$130 million for Fiscal Year 2011 by year's end.

Commissioner Steckel asked state Medicaid providers and Agency contractors to take a 10 percent cut in reimbursement (providers) or a reduction in contracted amounts to help the Agency and the State of Alabama get through the 2011 fiscal year. A 10 percent across-the-board cut would save \$77.6 million in addition to the pharmacy adjustments previously budgeted.

"In the past when we've had a budget problem, we have always been able to get together and work something out," she said. "Let's figure how to get through FY11 without decimating the program."

The appeal came in the wake of a request from Acting State Finance Director Bill Newton who presented attendees at two meetings on December 21 with a summary of the dire situation facing the state General Fund Budget and the need to finalize a budget by December 31. [Read more >>](#)



Alabama official protests unfunded cost burden of health reform



Commissioner Steckel discusses federal health reform

As the U.S. Senate passed an \$871 billion health care reform bill on December 24, Alabama Medicaid Commissioner Carol Steckel continued to voice opposition to the unfunded mandates and cost burdens contained within the proposed federal legislation, estimated to cost the state an additional \$23 million in Fiscal Year 2011 and up to \$107 million extra by the 2015 fiscal year.

The Senate bill's passage set the stage for the biggest expansion of federal health care guarantees since Medicare and Medicaid were enacted more than 40 years ago. The bill now goes to a conference committee where

differences between the Senate bill and the \$1 trillion plan approved by the House of Representatives in November must be reconciled. Supporters hope to have a bill ready for President Barak Obama's signature in January.

"While the final outcome is still unknown, there is no question that if passed, Alabama will be plunged into an immediate funding crisis," Commissioner Steckel said. She noted that the Senate bill mandates that states increase Medicaid eligibility for all citizens up to 133 percent of the Federal Poverty Level while the House version goes up to 150 percent of the FPL. The House bill expansion would become effective in 2014; the Senate's version in 2014. [Read more >>](#)

Contact Us: Recipient Questions & Assistance: 1-800-362-1504
Provider Assistance (EDS) 1-800-688-7989
Website: www.medicaid.alabama.gov

