

Medicaid Matters

Governor Riley announces agreement to end funding dispute

Governor Bob Riley announced on November 17 that the state has reached a final agreement with the federal government that allows Alabama to keep \$500 million for the state's Medicaid program that officials in Washington had argued was overpaid to the state.



Medicaid Commissioner Robert Church responds to reporters' questions following Governor Riley's announcement about the end of the financial dispute.

The agreement "finally puts an end to this 15-year dispute that threatened the financial health of Medicaid," Governor Riley announced during news conferences at hospitals in Montgomery and Birmingham.

"This is a big deal and a very important achievement. Alabama Medicaid could not have survived if \$500 million was taken away, but that is the very real danger we faced," said Governor Riley. "That's why we worked so hard to get this agreement signed. Now, Medicaid can move forward without this menacing threat looming over it."

Other challenges to future Medicaid funding remain, it was acknowledged, but the state can now face the future without the threat of federal recoupment of \$500 million. [Read more >>](#)

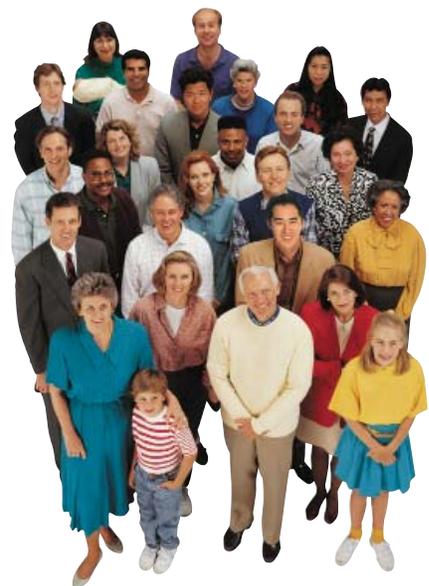
Alabama Medicaid enrollment exceeds 1 million in Fiscal Year 2010

For the first time in Alabama Medicaid's 40-year history, more than one million people were enrolled in at least one month during the 2010 fiscal year, a trend that is likely to increase as more financially-strapped families rely on state-subsidized health care coverage.

The record enrollment was largely propelled by a jump in the number of children and pregnant women in the program. Coverage of families with extremely low incomes, foster children and women applying for family planning services increased as well. [Click here to view Medicaid eligibility statistics>>](#)

"We don't see it slowing down," said Lee Rawlinson, Deputy Medicaid Commissioner for Beneficiary Services. "We had anticipated that the rolls would have stabilized by now, but the increases have continued."

The new enrollment numbers represent the unduplicated number of people who were enrolled in Medicaid for at least one month during the 2010 fiscal year. The number of people on Medicaid varies as people enroll or drop out of the program. For example, monthly enrollment in Medicaid increased from 825,655 in December 2009, to 894,496 in October 2010. [Read more >>](#)



Inside: • Congress extends Qualifying Individual (QI-1) program through 2011
• Alabama Medicaid programs designed to help prevent preterm births

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Congress extends Qualifying Individual (QI-1) program through 2011

More than 13,000 Medicare recipients in Alabama received a welcome holiday gift after Congress reauthorized the Qualifying Individual (QI-1) program for another year. Approved by the Senate and House on December 8 and 9, respectively, the action extends the Qualifying Individual (QI-1) program that allows Medicaid to pay the Medicare Part B premium for qualifying low-income individuals through Dec. 31, 2011. President Barack Obama signed the measure December 15.

The program had been in jeopardy because it is funded entirely by federal funds, according to Alabama Medicaid Commissioner Robert D. Church, Jr., CPA. He noted that with current projections suggesting significant state General Fund budget shortfalls in 2011, the state could not afford to pick up the program's monthly tab of approximately \$1.22 million.

The measure also extends the amount available for allocation to the states under this provision through Dec. 31, 2011. The QI-1 program is 100 percent federally funded, but has an annual cap on the amount of money available which limits the number of people who can receive the benefit. Alabama's preliminary allotment for FY 2011 is \$33 million.

The [QI-1 program](#) is available to Medicare Part A recipients whose current income does not exceed \$1,239 per month for an individual, or \$1,660 for a couple and who are not otherwise eligible for Medicaid. Medicare Part B helps to cover medically-necessary services like doctors' services, outpatient care, home health services, and other medical services. Part B also covers some preventive services. [Read more >>](#)



Alabama Medicaid programs designed to help prevent preterm births

Babies need time to grow. That's the message state health officials and the Alabama Chapter of the March of Dimes hope parents and health professionals alike will heed in order to increase the number of Alabama babies born at full term.



Preventing a preterm birth not only increases the likelihood of a safe delivery, but also sets the stage for a lifetime of good health, according to Robert Moon, M.D., Medicaid Medical Director and Deputy Commissioner, Health Systems. Speaking during the MOD's Prematurity Awareness Day news conference in Montgomery on November 17, Dr. Moon discussed how the Alabama Medicaid Agency is working to prevent prematurity through programs that address some of the challenges that mothers and babies face.

Alabama Medicaid, which funds just over half of all births in Alabama, is working to encourage healthier pregnancies through support of innovative efforts such as Centering Pregnancy programs that expand support systems for expectant mothers, and a smoking cessation initiative called *Baby Comes First*, Dr. Moon said. [Read more >>](#)

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