

Medicaid Matters

Agency projected to be at least \$100 million short if Sept. 18 vote fails

The fate of Alabama Medicaid's budget for next fiscal year will be contingent on the outcome of an upcoming referendum to decide if money should be transferred from the Alabama Trust Fund to the state General Fund. If voters agree on September 18, some of transferred money would be used to shore up the Agency's budget for FY 2013.

"If the constitutional amendment passes, it's a controlled train wreck. If it doesn't pass, it's an uncontrolled train wreck," he said, referring to Medicaid's budget for next fiscal year.



In a presentation to the Joint Legislative Committee on Medicaid Policy on July 24, State Health Officer Dr. Don Williamson told legislators that without the additional funds, the Agency's ability to operate a program that meets minimum federal requirements will be in jeopardy.



Rep. Greg Wren (left), chairman, Joint Legislative Committee on Medicaid Policy, and Rep. Jim McClendon, chairman, House Health Committee.

"If the constitutional amendment fails, we are looking at a \$100 million shortfall minimum," he said.

Williamson was appointed by Governor Robert Bentley in April to chair the Medicaid Transition Task Force to conduct a review of Medicaid's operations and finances.

Williamson noted the state has very limited options to address any shortfall. At present, nursing home and hospital rates are statutorily set, and the 2013 budget requires a limit of four name-brand drugs for adults. In addition, primary care physician rates for 2013 are mandated by federal law. [Read more >>](#)

Secure messaging available for providers via One Health Record®

Mention health information exchange and complex and cumbersome computer programs and systems immediately come to mind. Healthcare providers, concerned about disruptions to their daily routines or lost productivity, may feel that they will have to wait to benefit from the electronic exchange of health information.



Fortunately, neither is true in Alabama, according to Gary Parker, project director for One Health Record®, Alabama's Health Information Exchange.

When fully implemented, One Health Record® will offer two-way, or interoperable, sharing of data for providers who have federally-certified electronic health record systems. However, providers can now take advantage of a lesser known, but important tool within One Health Record® called "Direct" or provider-to-provider secure messaging at no cost. [Read more >>](#)



- Alabama Medicaid Patient Care Network marks first anniversary
- Agency reinstates four brand-name drug limit for adults August 1

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Alabama Medicaid Patient Care Network marks first anniversary

Alabama Medicaid's first Patient Care Network celebrated its inaugural year August 1, commemorating a year in which Medicaid patients – especially those with high cost or chronic conditions – benefitted from the coordinated care offered through the program.

Kim Eason, executive director of the Care Network of East Alabama in Opelika, attributes the program's first year successes to strong relationships built between primary care providers and case managers.



"Building relationships with our physicians and their staff have been the key to our success," she said.

"Having case managers embedded in and assigned to physician practices has been very beneficial."

Eason explained that program officials originally were unsure how or if they would receive referrals from physicians and how physicians would want to communicate with the network. Their teamwork has paid off, however.

"The physicians in our network area have been very engaged and supportive of the network. We also have a great staff of RN case managers, social worker case managers and community health workers. Our employees have chosen to work with the network and I have such great respect for the work that they do," she said.

Care Network of East Alabama now plans to expand its effort during its second year by strengthening its relationship between primary health providers and local mental health agencies and substance abuse providers. A full-time pharmacist also has been hired to assist physicians and community pharmacists with medication issues for patients. [Read more >>](#)

Agency reinstates four brand-name drug limit for adults August 1

Alabama Medicaid Agency ended its one brand-name drug limit on prescription drugs for adults two months early thanks to the effectiveness of the temporary limit combined with funds from a recent national fraud settlement.

The Agency announced to providers on July 19 that it would reinstate its four brand-name drug limit beginning August 1, 2012. The Agency implemented reductions in covered services and provider payments starting June 1 in order to balance its budget following the 10.6 percent proration of the state's General Fund budget. The reduction in optional services to adults included limiting drugs to one brand-name drug per month.



Acting Medicaid Commissioner and General Counsel Stephanie McGee Azar said the decision to return to the higher limit of brand-name drugs is based on a number of factors, including the receipt of \$2.8 million of the state's share of a recent national fraud settlement with GlaxoSmithKline (GSK).

The settlement, coupled with the savings the Agency estimated it will net from reducing the brand limit to one during June and July, brings the projected savings close to the Agency's estimate of what it would have received from the brand-limit reduction during the remaining months of fiscal year 2012. [Read more >>](#)

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