

## **POSSIBLE HILLSBOROUGH COUNTY HEALTH CARE LEGISLATIVE POSITION**

We recognize that Medicaid cost control is an important consideration. Hillsborough is a County that has participated in a State and Local partnership to address the health needs of its low-income population. It has had its Hillsborough County Health Care Program (HCHCP) since 1991. The County has also paid its share of the Medicaid local match – close to \$15 million (= \$14.8 million) for last year alone.

Therefore, as cost control legislation of Medicaid and debate over the implementation of national health care reform continues, the following are important to Hillsborough:

### Medicaid Cost Control:

- Currently, 81% of Hillsborough residents enrolled in Medicaid are on managed care. We estimate that if all County Medicaid enrollees were on managed care and the managed care piece of the match formula did not change, Hillsborough's match would increase by \$2 million per year.
- Any change in the match formula would further increase the local match. Depending upon which proposed formulas under discussion are approved, our annual local Medicaid match could increase up to another \$5 million.
- Therefore, we are concerned that the expenditures for Medicaid will be passed to the local government through changes in the match formula.

### Statewide Implementation of the Medicaid Reform Pilot:

- We support the concept of a Medicaid medical home model to contain costs.
- However, we urge caution in automatically implementing the Medicaid Reform Pilots statewide without addressing flaws in the pilots that have been identified by its own evaluators.

### Health Care Reform:

- The HCHCP is a local network that provides health care services to the low-income population. It is coordinated with other social service through case management with the intent of maximizing the self-sufficiency of its recipients and their families.
- Federal health care reform has focused on funding health care coverage not the specifics of its provision on a local level.
- Federal health care reform does not, as its main focus, address how it is implemented on a local level to best assure that health care coverage is part of the maximizing of self-sufficiency.
- In summary, while the funding of health care coverage can be addressed by the Federal government (top-down), the provider system changes needed for the low-income population should be implemented locally.
- It should be recognized that if Medicaid is expanded to 133% of Federal Poverty Guidelines and it is fully on managed care and the Medicaid match formula is changed, the Hillsborough Match would be between \$30 and \$40 million.
- This is still a possible option because it would allow Hillsborough County to reduce its sales tax from ½ to ¼ cent.