Senate Medicaid proposal: Extinction, not expansion

By David Simmons
Guest columnist

MAY 10, 2015

W hat do the riots in Baltimore have to do with the debate in Florida as to whether the Florida Legislature should follow the Senate's lead and extinguish Medicaid, and at the same time expand health care to an additional 800,000 Floridians using a free-enterprise, free-market system that rewards hard work, education and traditional American values? As it turns out, a lot.

The federal-state partnership known as Medicaid, by which the federal government and Florida each contribute billions of dollars to provide health care to 3.7 million recipients, mostly women and children in poverty, is in many ways broken. Why? Because it is based upon the fatally flawed premise that once a recipient earns more than a specific income level, the recipient completely loses her Medicaid benefits. Thus, just like welfare and other failed giveaway programs, it destroys a recipient's incentive to improve herself, work harder and get a better education.

A simple look at the enrollees of Florida's nonelderly, nondisabled Medicaid program shows it penalizes success and rewards failure. In fact, traditional Medicaid for the nonelderly and nondisabled is a significant factor in the promotion and perpetuation of a permanent underclass in America.

In addition to providing no continuity in coverage and insufficient payments to physicians to induce them to treat Medicaid recipients, traditional Medicaid incentivizes all of the wrong traits in its recipients when it doesn't have to do so.

To make matters worse, the federal government has a program called the Low Income Pool that further rewards lack of responsibility by giving billions of dollars to Florida to distribute directly to safety-net hospitals to help cover their losses because they are required by law to treat all persons who show up in their emergency rooms. So, these LIP funds are equally as tainted as the traditional Medicaid monies, because they reward continuation of a broken system in which uninsured patients simply show up at the emergency rooms in Florida's hospitals and use them as primary-care facilities.

There has to be a better way than this — and there is. The Florida Senate has a plan to expand health care to the 800,000 Floridians who make too much to qualify for Medicaid today, but still earn less than 138 percent of the federal poverty level. These people constitute a large portion of those who show up in the emergency rooms of our hospitals, and if we lend them a helping hand so they can purchase health insurance, they will have a chance for better health outcomes that come with consistent primary care, rather than costly emergency-room services.

The Florida Senate plan seeks to further amend Florida's current waiver from the traditional Medicaid program by using private insurers to provide free-market, private insurance options. The Senate plan provides premium assistance to these 800,000 eligible Floridians who are in turn required to have a job; be actively seeking a job; be getting an education; or be in job training. Other states, such as Indiana, with Republican legislatures, have recently obtained federal waivers, and created similar alternatives to the broken traditional Medicaid system.

Critics of the Senate plan have erroneously claimed the Senate plan is an expansion of Medicaid. The Senate plan

is actually a path to Medicaid extinction, not Medicaid expansion. While it has taken 50 years of bad government policy to get us into this broken system that penalizes success, the Senate plan will help extinguish a broken Medicaid system and transform these individuals' lives by making them productive members of society.

These critics also illogically demand the federal government keep giving Florida billions of LIP dollars, but refuse to take the monies that, with the Senate's free-market, free-enterprise system, will help end the cycle of dependency on welfare and traditional Medicaid. Simply asking for a block grant of the federal Medicaid monies is a step in the right direction, but once Florida gets the monies, we still must have a plan to remove these people from government assistance and help make them become full participants in the American dream.

Sometimes just saying "no" is not a solution. Our governor and the Florida Legislature owe Floridians a plan to get us out of a broken Medicaid system that, if we simply do nothing, will balloon to 4 million people by 2018.

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