



Capitol Desk

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Access at Issue in Medi-Cal Cuts

by David Gorn

You would think providers would be up in arms over having their Medi-Cal reimbursement rates cut -- once again.

After all, California had one of the lowest Medicaid provider rates in the nation, even before this recent 10% reduction. But according to Carol Havens, president of the California Academy of Family Physicians, the rate reduction really affects patients, not doctors.

"Providers now, at the current level of reimbursement, have to make a decision about how many Medi-Cal patients they will see," Havens said. "Since it actually costs them money to see Medi-Cal patients, they have to limit the numbers in their practice. So now, in a practical sense, these cuts will put an increased burden on that decision, and they'll likely see fewer Medi-Cal patients."

That will create a ripple effect in the health care system, as more patients who can't see a primary care provider will crowd federally qualified health centers and hospital emergency departments.

"They'll wait longer, till they're really sick, and if they can't get care with a primary care provider, then they'll get care in the ER," Havens said.

"It's going to end up costing the state more money in the long run," she said.

CMS Deputy Administrator Cindy Mann said her department analyzed the state's cost-cutting proposals carefully and felt this rule wouldn't affect access. "And we agreed [with California health officials] to take several things off the table that could be access issues," Mann said.

A few of California's cost-cutting measures have not yet been approved or rejected, such as the limit on physician visits. Mann said state and federal officials were close to agreement on those issues, and that "a decision should come soon," she said.

"We agree with CMS about being close, and we look forward to working with CMS to finalize those decisions," Norman Williams of the California Department of Health Care Services said.

"This is an important approval," Williams said. "The goal of the reductions is to allow California to provide for those people who need it, and to make the savings that California needs."

The CMS decision proves what the state has been saying since the cuts were enacted, Williams said -- that access would not be affected by lower Medi-Cal reimbursement rates.

"They studied the proposals carefully and determined that the approved proposals would not negatively impact access," Williams said. "We will continue to provide care and not cause undue hardship to our beneficiaries."

Havens said there will be many ripple effects from providers cutting back on the number of Medi-Cal patients they see, such as longer wait times in emergency departments and a reduction of providers in rural areas. "There are all the things that happen downstream from that," Havens said. "This is all about patient care."