

## Medi-Cal

Tuesday, November 1, 2011

# Health Care Providers Say Medi-Cal Cuts Will Hinder Access to Care

Physicians and pharmacists in California are concerned that the federal government's recent approval of a 10% Medi-Cal reimbursement cut will harm beneficiaries' access to care, the *Fresno Bee* reports. Medi-Cal is California's Medicaid program.

### Background

Last week, **CMS approved** Gov. Jerry Brown's (D) proposal to cut Medi-Cal reimbursements to clinics, doctors, laboratories, optometrists, pharmacists and some nursing facilities by 10% (Anderson, *Fresno Bee*, 10/29).

Health care providers exempted from the cuts include some hospitals and inpatient care facilities, as well as home health care services and pediatric care.

Officials with California's Department of Health Care Services said the cuts are retroactive to June 1, meaning health care providers will have to return money to the state or have the funds subtracted from upcoming payments (Kisken, *Ventura County Star*, 10/28).

### Providers' Reaction

Health care providers said that the state's Medi-Cal reimbursement rates already are the lowest in the U.S. and that reducing payments will further compromise the safety net for low-income residents.

Rural and low-income Californians will be affected the most, according to health care providers (*Fresno Bee*, 10/29).

**In a statement**, the California Medical Association said it is "extremely angry with CMS for approving these cuts in light of the overwhelming access to care problems in the state's Medi-Cal program" (Reichard, *CQ HealthBeat*, 10/28).

Steve Jones -- an urgent care physician with Community Memorial Health System's Centers for Family Health -- said the cuts could force some physicians to reduce their staff or stop accepting Medi-Cal patients.

### State Response

State officials said they demonstrated to federal officials that the cuts would not prevent Medi-Cal beneficiaries from accessing care and physicians.

DHCS spokesperson Norman Williams said the state will use a monitoring system that measures 23 access to care standards to ensure beneficiaries receive care (*Ventura County Star*, 10/28).

DHCS Director Toby Douglas noted that the state could take action to address access issues, including modifying the payment cuts.

State officials also said they are confident the payment reductions would withstand any court challenges (*Fresno Bee*, 10/29).

#### Broadcast Coverage

On Friday, KPCC's "**KPCC News**" reported on health care providers' reaction to the recently approved cuts to Medi-Cal reimbursements (Watt, "KPCC News," KPCC, 10/28).