

Medicaid Matters

Governor Bentley outlines support for Commission recommendations

Governor Robert Bentley visited Jackson Hospital in Montgomery March 12 to highlight his support for legislation designed to transform the Alabama Medicaid Agency into a more efficient and more affordable program for the taxpayers of Alabama.



Gov. Bentley discusses support of a more efficient and affordable Alabama Medicaid program. (Picture courtesy of Jamie Martin, photographer, Governor's Office)

The proposed legislation, to be introduced by Senate Health Committee Chair Greg Reed (R-Jasper) and House Health Committee Chair Jim McClendon (R-Springville), incorporates recommendations from the Alabama Medicaid Advisory Commission.

Governor Bentley established the commission in October. The Governor's goal is to improve Medicaid's financial stability while also providing high-quality patient care. The 33-member commission submitted its final report to Governor Bentley on January 30.

"We now have a chance to turn Alabama Medicaid into a program that provides better care while making more efficient use of taxpayer dollars," Governor Bentley said. "The Alabama Medicaid Agency is also taking steps to prevent fraud and abuse of the system. Improving Medicaid is a long-term process, and the recommendations provided by the commission will help us put the proper reforms into place, which will benefit patients and taxpayers alike." [Read more >](#)

Senate passes General Fund budget with level funding for Medicaid

A General Fund budget with level funding for Medicaid passed its first hurdle on March 12 when the Alabama Senate approved a \$1.75 billion General Fund operating budget for state agencies. The budget now goes to the House of Representatives for action.

The Alabama Medicaid Agency, the largest consumer of General Fund dollars, was level funded with \$615.1 million allocated for the 2014 fiscal year. The Senate-approved budget also includes about \$146 million transferred from the Alabama Trust Fund as a result of a constitutional amendment approved by voters in September 2012 and \$48 million from a pending tobacco settlement.

At a February 20 legislative budget hearing, State Health Officer Dr. Don Williamson, chair of the Medicaid Transition Task Force, said reductions in provider reimbursements and other changes will help Medicaid operate with a \$615 million General Fund appropriation for the 2014 fiscal year that starts in October 2013.

"With your help, God's grace and the renewal of the provider taxes and nothing else going wrong, we will make 2014 work," Dr. Williamson said. [Read more >](#)



Inside: • CMS selects Alabama anti-fraud measure as "noteworthy pick"
• Innovative emergency psychiatric care project experiences early success

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CMS selects Alabama anti-fraud measure as “noteworthy pick”

Alabama Medicaid’s longtime practice of deactivating enrolled providers if mail is returned due to a bad address was one of several “noteworthy picks” or best practices to combat fraud cited recently by the Centers for Medicare and Medicaid Services (CMS). The measure, along with other state



Medicaid fraud practices, is listed in a searchable database published January 31 by the Pew Center on the States.

The database was compiled from a list created by CMS’ Medicaid Integrity Group (MIG) which reviewed all state Medicaid fraud practices and highlighted those they believe to be effective in reducing fraud, waste or wasteful errors in Medicaid programs. All 50 states and the District of Columbia are included in the database which is available at <http://www.pewstates.org/research/data-visualizations/medicaid-anti-fraud-and-abuse-practices-85899446210>.

Since Alabama began deactivating providers with bad addresses in 1999, nearly 2,000 providers have been removed. Many more have updated their addresses with the Agency to ensure that records are accurate, according to Alabama Medicaid Program Integrity Director Jacqueline Thomas. “This is just one of many measures we take to prevent the state from paying claims to nonexistent or fraudulent providers,” she said. [Read more >](#)

Innovative emergency psychiatric care project experiences early success

A year after Alabama was selected by the federal government to test innovative ways of caring for Medicaid recipients experiencing a psychiatric emergency, early indications suggest that Alabama’s plan can provide improved access to care at a lower cost.

The demonstration is sponsored by the Center for Medicare and Medicaid Innovation, which was created by the Affordable Care Act to test innovative payment and service delivery models that have the potential to reduce program expenditures while preserving or enhancing the quality of care.

Federal regulations now prohibit private institutions for mental diseases (IMDs) from receiving Medicaid reimbursement for emergency care. The demonstration project is designed to test if recipients who are experiencing a psychiatric emergency get more immediate and appropriate care when IMDs provide care as opposed to acute care hospitals in the community.

Three freestanding psychiatric hospitals in Alabama are participating in the project: EastPointe Hospital in Daphne, Hill Crest Behavioral Health Services in Birmingham and Mountain View Hospital in Gadsden.

“The feedback we have received from our providers is that it is working well and that patients are being seen in a timely fashion, stabilized and connected with community providers as soon as possible,” said Medicaid Associate Director for Institutional Services

Jerri Jackson, who is serving as project manager for the effort. Approximately 130 patients have qualified for the program thus far. [Read more >](#)



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