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## Medicaid block grant in PA about to happen

Pennsylvanians are about to be blindsided by a Medicaid block grant proposal that has been introduced to the legislature. This proposal will affect funding for “human services,” including “mental health services, intellectual disability services, child welfare social services, drug and alcohol abuse treatment and prevention services, homeless assistance services and assistance to low-income adults and older adults: including direct services, supportive services, and service coordination.” The proposal by the Department of Welfare (DPW) is entirely authored by them, with no comment or hearing by the communities affected, including the agencies and the recipients of their services, thanks to Act 22 of 2011. Many commentators feel that the proposed block grant will leave our most vulnerable populations with significantly insufficient services due to lack of appropriate funding.

Medicaid block grants are not a new concept. Legislators in the federal government have talked about changing the Medicaid system frequently, particularly due to the high cost of nursing home care for the indigent, and block grants are one proposal. Currently, if an individual meets the requirements for Medical Assistance in Pennsylvania, otherwise known as Medicaid, that person is entitled to the funding for care that comes with eligibility. By way of a somewhat simplistic explanation, in Pennsylvania, the federal government provides approximately 55 percent of the funding for Medicaid, and the Commonwealth makes up the rest. Through this system, the states receive money from the federal government to help pay for those persons receiving Medicaid, but the states must follow federal guidelines to continue receiving the money, oversight if you will. In a block grant system, the federal government would provide money to Pennsylvania for DPW to disperse as it wishes, but with little or no strings attached. Therefore, many of the federal government rules that keep DPW in line regarding care guidelines in nursing homes, for instance, would become moot, and DPW can make all of the rules, just following general federal guidelines.

This particular proposal does not include funding nursing home care; however, it does appear to affect those receiving Medicaid services at home through the Department of Aging. The other populations listed under the human services umbrella are all vulnerable populations. Nevertheless, the elderly receiving care at home are a good example of the short sightedness of changing the Medicaid reimbursement system by using a block grant. If services at home are reduced, including limiting provider reimbursements, and severely curtailing the oversight provided by nursing to manage care plans, many of these same people will be forced to enter nursing homes at a much higher cost per person to the Medicaid system.

Act 22 largely eliminated, at least for now, the transparency of the process usually involved in putting forth such proposals, and certainly input of the public in the rulemaking that is part of implementation process. State Representative Gene DiGirolamo (R) from Bucks County shared a letter with members of the elder law bar in which he decries the lack of transparency in how this legislation proposal came to be, and how it “will pit these groups (mental health, intellectual disabilities, drug and alcohol, and other human services communities) and the people they serve against each other for survival.” DPW proposes to give the County commissioners the money for their County, and allow them to decide how to apportion it. How are the commissioners to determine who receives the funds with all the legitimate needs and a limited pot of money, and no guidance on how to do so?

This is a serious issue about which at least some legislators have no background to understand, and all of whom, with the current process, have no guidance other than what is provided by DPW. Mr. DiGirolamo should not be the sole voice for the vulnerable and needy in Pennsylvania. Contact your legislators to encourage them to seek more information before making a major change in how human services in Pennsylvania is funded.