Idaho Medicaid Redesign:
Promoting Independence for People with Disabilities

Medicaid Redesign is a proposal for major changes in Idaho’s health care financing system for people who cannot afford the cost of health care, including mental health care. There are five components to Idaho Medicaid redesign:

1. Accept the federal Medicaid Coverage Option
2. Add Medicaid requirements to increase consumer responsibility
3. Eliminate the County Indigent Health Care Programs
4. Eliminate the State Catastrophic Care Fund
5. Shift state funded Community Mental Health Care to Medicaid.

Others have documented how these changes will save $480 Million in Idaho costs over the next 10 years, how it will ensure access to health care for low income working families in Idaho, and how it can change our publicly funded health care from costly emergency room and hospital care to less costly preventive and supportive community care (http://gov.idaho.gov/priorities/Workgroups.html). This paper addresses the benefits of Idaho Medicaid Redesign for Idahoans with disabilities who have no health care coverage.

Contrary to popular belief, not all people with disabilities and low incomes are eligible for Medicaid. Thousands of Idahoans with disabilities and chronic illnesses have income below 138% of the Federal Poverty Level but do not currently qualify for Medicaid coverage.

Idaho’s mental health care system is broken. Idaho Medicaid Redesign is the best option for vastly improving our system without significant state general fund expenditures. 75,000 Idahoans experienced a serious mental illness in the last year. Of those people, approximately 41,000 have a persistent and recurring serious mental illness which significantly impairs their ability to function in society. About 19,000 of these Idahoans receive treatment through the Department of Health and Welfare for these illnesses each year. Only about half of them are currently covered by Medicaid. Medicaid covered patients receive preventive and supportive services from private providers in the community as well as crisis assistance when needed. The remaining 9,000 to 10,000 Idahoans receive services from Department of Health and Welfare centers funded entirely by Idaho general fund appropriations. These services are currently limited to people in serious crisis who pose a risk to themselves or others, and people receiving services through the state mental health courts. This system does not have the resources to provide rehabilitative services, or community supports to prevent relapses and crises. People with severe and persistent mental illness need these services to move toward recovery rehabilitation and independence. Medicaid Redesign would use federal funds to provide the full range of Medicaid mental health services for this population. The federal funds would cover 100% of the treatment costs for three years tapering to 90% by the year 2020. This would save Idaho about $9.7 million per year.
while providing for a desperately needed shift from crisis management to prevention, rehabilitation and community supports. In short, Medicaid redesign would allow Idaho to radically improve our inadequate mental health system using federal funds.

**People with recent disabilities receiving Social Security Disability benefits often have no medical coverage.**

When people first experience disability from an accident or an illness which prevents them from working, they can obtain Social Security Disability Benefits. Depending on the length of employment and the amount he or she has paid into the system these benefits often exceed the income level currently set for Idaho Medicaid. They will not be eligible for Medicare for two full years. Since they have lost their job due to disability they usually have no source of medical insurance coverage. Getting adequate medical care during the first two years after onset of disability can be crucial to future health, rehabilitation and recovery. Medicaid Redesign would provide federally funded medical coverage for this two year gap. Access to appropriate medical care during this interval is an essential part of rehabilitation and a return to independence and self sufficiency for many people.

**People with disabilities due to chronic health problems need Medicaid coverage to avoid deterioration and possible institutionalization.**

People with chronic health problems and disabilities are more likely to have lower incomes because of the limitations of their condition. Many people in households below 138% of the federal poverty level are in great need of preventive and ongoing medical care. These people in particular will benefit from Medicaid redesign by getting early and ongoing care, instead of waiting until their condition requires acute or emergency care. The state and counties benefit from the lower costs of care as well. Unlike most private insurance, Medicaid covers the cost of long term care. Long term care includes both institutional care in facilities like nursing homes and personal assistance services. Personal Assistance services are supports which help a person with a disability to perform daily tasks such as bathing, dressing, eating, and cooking when their disabilities make it impossible for them to do so without help. Medicaid community based services can delay or prevent the need for placement in long term care or nursing homes. This helps people to maintain their independence, and significantly lowers the cost of their care.

**Health coverage for parents strengthens the health of families whose children have disabilities or special health care needs.**

Parents’ health affects children’s health and well-being. The Institute of Medicine has reported that a parent’s poor physical or mental health contributes to a family environment that may impair the health or well-being of a child. Uninsured parents who don’t get care may be unable to work. Coverage for parents has a big impact on children.

The **Consortium for Idahoans with Disabilities (CID) strongly supports the Idaho Medicaid Redesign** because by filling in the gaps in coverage and making medical and mental health care available, we can greatly increase the opportunities for people with disabilities to achieve and maintain their independence, maximize opportunities for rehabilitation and recovery, and greatly improve Idaho’s mental health system using the federal funding available to Idaho.

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