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3 **Title: Medicaid Federal Match**
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5 **Introduced by: Domenic R. Federico, MD, for the Kent County Delegation**
6
7 **Original Author: Donald P. Condit, MD, MBA**
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9 **Referred to: Reference Committee B**
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11 **House Action: Adopted as Amended**
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14 **Whereas, MSMS has steadfastly opposed Governor Jennifer Granholm’s**
15 **efforts toward a three percent tax on the gross receipts of doctors to match**
16 **federal Medicaid funds for Michigan and her FY 2011 budget proposal**
17 **included a \$300 million “quality assessment” tax upon physicians, and**
18

19 **Whereas, Michigan ranks 22/51 in Federal Matching Assistance**
20 **Percentage (FMAP) for Medicaid funding, with Mississippi, West Virginia, and**
21 **Louisiana respectively receiving 2.05, 1.79, 1.61 times more than Michigan**
22 **([http://www.statehealthfacts.org/comparetable.jsp?typ=1&ind=184&cat=4&sub](http://www.statehealthfacts.org/comparetable.jsp?typ=1&ind=184&cat=4&sub=47)**
23 **=47), and**
24

25 **Whereas, Michigan is facing a combined FY 2011 General and School**
26 **Aid Fund budget shortfall of \$1.4 billion ([http://www.crcmich.org/ ?gclid=CM2P](http://www.crcmich.org/?gclid=CM2Pp9HKuaACFRLxDAod6TivUw)**
27 **p9HKuaACFRLxDAod6TivUw), and**
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29 **Whereas, on February 4, 2009, President Obama signed into law H.R. 2,**
30 **the Children’s Health Insurance Program Reauthorization Act of 2009, that**
31 **reauthorizes the State Children’s Health Insurance Program for four-and-a-half**
32 **years through Fiscal Year 2013 and expands coverage to approximately four**
33 **million children beyond the seven million children currently covered under the**
34 **program (<http://www.ama-assn.org>) and current health reform proposals under**
35 **debate in Washington are likely to further expand the eligibility for Medicaid**
36 **insurance, and**
37

38 **Whereas, 18 percent of Michigan’s population was covered by Medicaid**
39 **in FY 2006, ranking 24/51 nationally ([http://www.statehealthfacts.org/](http://www.statehealthfacts.org/comparemactable.jsp?ind=199&cat=4)**
40 **comparemactable.jsp?ind=199&cat=4), and**
41

42 **Whereas, current Medicaid reimbursement fails to cover the overhead**
43 **expenses of Michigan physicians who provide care to citizens insured by**
44 **Medicaid, and**

45 Whereas, over the past decade, Medicaid physician reimbursements
46 have effectively increased just once and still cover only 61 percent of costs
47 (The Partnership for Michigan’s Health <http://www.msms.org>), and
48

49 Whereas, inadequate reimbursement creates barriers to access to
50 preventative and ongoing health care, and
51

52 Whereas, Medicaid patients over-utilize emergency rooms resulting in
53 more expensive care that requires cost-shifting to other patients, and
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55 Whereas, hospitals unable to cover the cost of emergency room
56 indigent care have to restrict access or face insolvency, and
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58 Whereas, though the Medicaid caseload continues to increase, funding
59 to Michigan hospitals has been cut by more than \$850 million since 1999 (The
60 Partnership for Michigan’s Health <http://www.msms.org>); therefore be it
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62 **RESOLVED:** That MSMS seek federal and state policy changes to
63 increase federal payment to the state of Michigan for Medicaid patient care
64 without taxing physicians.
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67 **WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE**