

STIMULUS

## **Critics Say Rell's Proposed Cuts To Medicaid Go Against Spirit Of Federal Stimulus**

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To accept \$1.3 billion in federal Medicaid stimulus money, Gov. M. Jodi Rell will have to scrap \$22.1 million worth of proposed Medicaid cuts — including a plan to charge premiums to more Medicaid recipients.

But advocates for Medicaid recipients say the governor needs to do more to avoid violating the intent, if not the strict terms, of the stimulus. Other proposed Medicaid cuts, which Rell is not expected to withdraw, target safety net programs at a time when more residents need them, something the stimulus program was intended to avoid, they say.

"It's going against exactly what Congress and the administration had hoped would not happen," said Alicia Woodsby, public policy director for the National Alliance on Mental Illness, Connecticut.

But Jeffrey Beckham, a spokesman for Rell's budget office, said the governor's Medicaid plans — minus the proposals that will be scrapped — will do what the federal stimulus requires. "The Congress could have written this thing any way they wanted to, and this is how they wrote it," he said.

Medicaid funding accounts for almost half of the nearly \$3 billion Connecticut is expected to receive under the stimulus. The federal government will fund it by raising the portion of Medicaid costs it reimburses states from 50 percent to 56.2 percent.

The extra funding is intended to ensure that states do not make it more difficult for people to receive government assistance for health care, and states that receive the money must use Medicaid eligibility standards that are no more restrictive than they were at the beginning of this fiscal year.

That rules out two of Rell's proposals: charging premiums to HUSKY A recipients over the poverty line and eliminating a procedure that allows HUSKY recipients to declare their income themselves, simplifying the sign-up process.

The stimulus rules do not affect Rell's other proposed Medicaid changes, which include charging co-payments for some Medicaid recipients, eliminating coverage for non-emergency dental care for adults, eliminating non-emergency medical coverage for legal immigrants who have been in the U.S. fewer than five years, and reducing coverage for prescription drug programs.

Critics say those cuts violate the spirit of the stimulus. They cite comments President Barack Obama made to the nation's governors when he announced the Medicaid funding in February: "This plan will also help ensure

that you don't need to make cuts to essential services Americans rely on now more than ever."

"Clearly the president said in his remarks in regard to the stimulus that he believes that the goal here is to maintain access to essential services for families and individuals during this extremely difficult economic time," said Sharon Langer, a senior policy fellow at Connecticut Voices for Children.

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