

[Preview](#) | [Home](#) | [Logout](#) | [Help](#) | [Contact Customer Service](#)

11Jan2001 USA: Florida sees shortfall from rising Medicaid costs.

By Brett Graff

MIAMI, Jan 11 (Reuters) - Florida is not immune to the Medicaid funding shortfall that seems to be becoming a nationwide epidemic.

The state, like many of its southeast neighbors, is paying program costs that far outweigh the dollar amount the Legislature allotted before the year began.

Florida, for its part, expects to be short \$271 million at the end of fiscal year 2001, said Dyke Snipes, the bureau chief of the Medicaid program at the Agency for Health Care Administration in Tallahassee. But unlike many states that have pointed to increasing prescription costs as the main culprit, Florida's troubles stem from an increasingly bigger pool of eligible people. The state, when it set the budget for fiscal year 2000-2001, estimated that 1.7 million people would use the program each month, Snipes said. The actual number is about 1.83 million, he said.

Those added participants are a result of several factors, including a growing elderly population. An outreach movement for Title 21 funding, a low-income program for poor children, had the indirect effect of locating new Medicaid users, Snipes said.

What's more, the separation of certain cash assistance and health-care programs created an additional pool of users who weren't included in original estimates.

There are two possible solutions, according to Snipes. First, the Legislature could appropriate supplemental funding when it meets in March. Or, less desirably, the state could alter Medicaid coverage policies, he said.

Separately, Gov. Jeb Bush this week unveiled an elder care initiative, which said the governor will request a \$2.5 million increase in Medicaid fees for home health agencies. It would push up fees for a home visit by a licensed nurse by 11 percent and for a home health aide by 13 percent, according to a statement from his office.

The executive budget proposal also allocates a \$46 million increase to be spent on improving the quality of nursing home care, the statement said. This would bring the total spent on nursing home care to \$1.77 billion for fiscal year 2001-2002, and increase of 13.7 percent.

The proposal also allocates \$52.4 million for community-based options in long term care for elders. Further, Bush wants to reduce Florida's intangibles tax by another \$277 million. Senior citizens pay 72 percent of the tax, which is levied on stocks, bonds and other securities.

Bush, also in this initiative, said that the number of lawsuits in Florida nursing homes is high compared to other states. The Agency for Health Care Administration has instructed over 30 assisted living facilities to buy liability insurance, or shut down.

"Unfortunately, the same law that protects is being used to drive quality long-term care facilities from the state," Bush said in the statement.

(C) Reuters Limited 2001.

Source: REUTERS NEWS SERVICE
REUTERS NEWS SERVICE - USA
REUTERS NEWS SERVICE 11/01/2001

REUTERS 