

Benefit cuts announced following Medicaid ruling

July 2 2018, by Bruce Schreiner

Gov. Matt Bevin's administration is cutting dental and vision coverage for nearly a half-million Kentuckians after his Medicaid overhaul plan was rejected in court.

The state Cabinet for Health and Family Services calls the cuts an "unfortunate consequence" of Friday's ruling by a federal judge who said Kentucky can't require poor people to get jobs to keep their Medicaid benefits.

U.S. District Judge James E. Boasberg's rejection of the Republican governor's plan to overhaul the state's Medicaid program is a setback for President Donald Trump's administration, which has been encouraging states to impose work requirements and other changes on the joint state and federal health insurance program for the poor and disabled.

Cabinet spokesman Doug Hogan sought in a weekend statement to place the blame squarely on the judge.

The ruling means there is no longer a "legal mechanism" in place to pay for dental and vision coverage for about 460,000 Medicaid beneficiaries, his statement said.

"This is an unfortunate consequence of the judge's ruling," Hogan said. "Once we ultimately prevail in this legal challenge ... then beneficiaries will have access to these optional services."

Democratic State Rep. Joni Jenkins said she's concerned about "rash decisions" in response to the ruling.

"We call for thoughtful discussions involving the administration and the many statewide stakeholders in the path forward in assuring Kentucky's working families have health care," Jenkins said in a statement.

The federal health care law championed by former President Barack Obama gave states the option of expanding Medicaid coverage to able-bodied adults. Kentucky, under former Democratic Gov. Steve Beshear, was one of 32 [states](#) that did so, and nearly 500,000 Kentuckians got Medicaid coverage as a result.

But Bevin, elected in 2015, said the program was too expensive to continue. He asked for permission to impose new rules, including charging monthly premiums and requiring at least 80 hours of "community engagement" per month, which could include working, volunteering or going to school.

Boasberg's decision blocks those rules, for now.

Adam Meier, Bevin's secretary of the Cabinet for Health and Family Services, has said if the ruling stands, the state would have "no choice but to make significant benefit reductions." He said the state faces a \$300 million shortfall in Medicaid over the next two years, and the new rules would have helped the state save money.

Kentucky was the first state to get permission to impose new rules, which were scheduled to take effect Sunday in a northern Kentucky suburb of Cincinnati. In his ruling, the judge chastised Trump's administration for rubber-stamping the new rules without considering how many people would lose their [health](#) coverage.

Hogan said the state "made it clear" that dental and vision benefits for the approximately 460,000 beneficiaries were dependent on the new Medicaid changes.

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