

A plan to cut Montana's Medicaid waiting list was met with bipartisan cheers. Then a veto

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Montana state Sen. Becky Beard thought she'd found a fix for a shortage

of assisted living care options for Montanans who can't afford to pay for it themselves—a shortage she became aware of while searching for a suitable place for her mother to live.

Beard, a Republican from the rural town of Elliston, ushered a bill through the GOP-controlled legislature this spring. The proposal would have moved more than 200 people off waiting lists for government-supported care and saved the state money by accessing more federal Medicaid money to cover their costs and the cost of those already in assisted living.

The bill had broad support from assisted living facility owners whose facilities eventually would accept more of these patients covered by Medicaid, the state-federal program that pays medical and other health-related bills for low-income and disabled people. In Montana, the federal government pays about 65% of the cost of most Medicaid-covered services, and the state pays for the rest.

But Republican Gov. Greg Gianforte vetoed the measure May 18, two weeks after the legislature adjourned. A post-session vote in June by Montana's 150 lawmakers to override the veto failed by 10 votes.

Gianforte's veto disappointed and mystified the bill's supporters.

"I don't see where there is any negative impact, financially for the state, for the residents, or to us as providers," said Mike White, who co-owns seven assisted living facilities across Montana. "I thought, of all the bills out there, this would be the last one to get vetoed."

Gianforte said the bill, by creating another Medicaid entitlement program, could have ended up costing the state much more in the long run. He also said it would have restricted the state's ability to serve Medicaid-funded residents "in a community setting."

Supporters of the bill said that the governor is simply wrong—and that Montana missed an opportunity to tackle a long-standing problem: the lengthy waiting lists for people on Medicaid who need assisted living or in-home care, to keep them out of more expensive nursing homes.

An analysis by Gianforte's own budget office said the bill would have saved the state \$1 million during its first two years by using more federal money. Some supporters also pointed to the state's \$2.4 billion surplus, saying the state could certainly afford this small change to its Medicaid plan, if it ended up costing the state.

"This administration has shown that they don't care about [poor people](#), about people who are struggling," said state Rep. Mary Caferro, a Democrat. "They simply don't care, because we had the money to do it."

The Gianforte administration insisted that there is no accurate way to estimate the long-term costs of placing assisted living under a Medicaid option called Community First Choice, and that doing so would complicate management of in-home and assisted living services.

Beard's Senate Bill 296 would have required the state to place Medicaid funding for assisted living under Community First Choice starting in 2026, instead of a "waiver" program, where it's been for many years.

States must ask the feds for Medicaid waivers to offer services or cover populations not covered under federal law. Like many other states, Montana asked for a waiver decades ago to cover nonmedical services that help keep older or disabled people out of nursing homes or other institutional settings. About 2,700 Montanans use these waiver-covered services each year, including about 900 in assisted living facilities.

But funding for Montana's Big Sky Waiver program is capped by the legislature, so it has a waiting list for covered services. As of this spring,

about 160 people who'd qualified for Medicaid coverage were on the waiting list for an assisted living spot.

An additional 150 people were waiting for other Medicaid services, such as in-home care that helps with daily chores like eating, dressing, and bathing. Those spots open only if lawmakers approve more funding or if a person getting the services dies or no longer qualifies for Medicaid.

Community First Choice, however, has no waiting list because it's an entitlement, with no funding cap. A person who qualifies for Medicaid gets whatever services are covered under the program.

CFC was created as a state Medicaid option by the 2010 Affordable Care Act, in hopes of expanding coverage of services that help older and disabled people who have little income and few assets live independently, staying out of pricey facilities.

To encourage states to incorporate CFC into their Medicaid plans, the Affordable Care Act offered a higher federal match, of 6 additional percentage points.

Only nine states, however, have adopted CFC, and only three—Washington, Oregon, and California—have chosen to cover assisted living under the program.

Montana is one of the nine states that applied for the program, 11 years ago under Democratic Gov. Brian Schweitzer. But the state did not include assisted living as a covered service under CFC.

Rose Hughes, executive director of the Montana Health Care Association, which represents nursing homes and assisted living facilities, said states apparently worry that making these services an entitlement will increase their Medicaid budgets.

But she argued that expanding assisted living coverage under Medicaid saves states money because it can keep people out of more expensive nursing homes and, in some cases, costs less than in-home care.

Assisted living "is an extremely cost-effective service, and it's one that seniors like," Hughes said.

She also noted that anyone who qualifies for assisted living under CFC or the waiver is eligible for nursing home-level care.

"The day they get put on a waitlist, they could go to a nursing home, and the state would pay for that," Hughes said.

And getting rid of the waiting list simply is the humane thing to do, bill supporters said.

The waiting list, managed by the state, rates people's level of need and can seem incredibly arbitrary, bill supporters said. There are separate waiting lists for different locales; if you're on the list in one town and move elsewhere, you must get on another waiting list.

"These systems are designed to protect people when they run out of resources. These people did their part, and we owe it to them," said Michael Coe, director of operations for Caslen Living Centers, the company co-owned by White.

Beard eventually found her 82-year-old mother a spot at a Helena senior living facility that her mother pays for herself, without help from Medicaid.

Beard said the experience drove home the difficulty many Montanans face in finding such services if they can't afford to pay.

She said she shares the concerns of her fellow conservatives about the state budget, but on this issue, she thinks paying for more assisted living slots is both fiscally sound and the right thing to do—and she'll pursue it again in the 2025 legislature.

"This is a real need, and we're not done with it," Beard said. "I'm not giving up on this."

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