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Legislature Squanders Opportunities

The Missouri General Assembly squandered the opportunity to restore access to health care for thousands of low-income Missourians upon the adjournment of the 2006 legislative session at 6 p.m. Friday, May 12.

The Legislature also failed to pass a bill that would have significantly strengthened Missouri's ability to prosecute Medicaid provider fraud.

"We are deeply disappointed that several bills with great potential were allowed to die," said Amy Blouin, Executive Director of the Missouri Budget Project, a statewide fiscal analysis organization.

One bill (SS SCS HCS HB1742) which passed the Senate but which the House refused to consider on the last day of the session would have restored Medicaid health insurance to 3,000 people with disabilities and would have made 9,000 children from low-income families eligible for Medicaid under a more fair eligibility test.

“While these changes are small in light of the 90,000 low-income Missourians who were cut from Medicaid in the 2005 session, at least they would have been a step in the right direction,” said Ruth Ehresman, Director of Budgetary and Health Policy for the Missouri Budget Project.

The same bill also included a state false claims act which would have allowed Missouri to more effectively prosecute Medicaid fraud by providers. If the bill would have passed this session, Missouri would have been eligible for a greater share of funds recovered as a result of provider fraud.

“Sixteen states are using false claims acts to bring in hundreds of millions of dollars that could be used to provide access to health care for low-income citizens. It is unconscionable that Missouri is not using every tool at its disposal to stop fraud, and at the same time, more than 250,000 low-income citizens have lost Medicaid insurance over the past four years,” Blouin said. An estimated \$200 to \$500 million is lost in Missouri every year due to Medicaid provider fraud.

“We commend the Senate for passing legislation to begin undoing the harm to Missouri’s most vulnerable residents—children, low-income working parents, the elderly and people with disabilities,” Ehresman said. “The House sent a strong message when it refused to consider the Senate bill today. It is particularly reprehensible that they rejected the opportunity to weed out Medicaid fraud. This is fiscally irresponsible. Every dollar that is wasted on fraud takes health care away from someone in Missouri.”

The Missouri Budget Project is a nonprofit, nonpartisan fiscal analysis organization that informs the public about Missouri’s budgetary and tax policy and its impact on low and moderate-income Missourians.