

HM 0025

2004

House Memorial

A memorial to the Congress of the United States, urging Congress to change the existing formula for distribution of Medicaid funds.

WHEREAS, Florida is the fourth most populous state, with 16.4 million residents, and

WHEREAS, more than 2 million Floridians live in poverty and approximately 2.8 million Floridians have no health insurance whatsoever, and

WHEREAS, it is a moral incumbency that every Floridian have access to quality, affordable health care, and

WHEREAS, impoverished Floridians have more difficulty securing quality, affordable health care, especially if they are uninsured, and

WHEREAS, Florida participates in the Federal Government's Medicaid program to support those impoverished citizens and ensure their access to health care, and

WHEREAS, when Medicaid was created in 1965, one of its purposes was to reduce the differences among the states regarding their respective abilities to fund medical services for the impoverished, and

WHEREAS, federal funds for Medicaid are distributed to the states based on a funding formula that uses per capita income (PCI) as a key indicator of a state's ability to support its impoverished population, and

WHEREAS, numerous reports from the United States General Accounting Office dating back to the early 1980s demonstrate that PCI is a poor indicator of a state's funding ability, and

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30 WHEREAS, the use of PCI assumes that states with lower PCIs
 31 have higher rates of poverty, which is a false assumption based
 32 on data from the United States Census of 2000, and

33 WHEREAS, the funding formula does not account for states'
 34 respective populations in poverty, the wealth distribution of
 35 larger states, or the costs to serve Medicaid populations in
 36 respective states, and

37 WHEREAS, the use of PCI in the funding formula fails to
 38 accurately reflect the needs of the more populous states, and

39 WHEREAS, the use of a state's total taxable resources (TTR)
 40 in the formula, as recommended by the General Accounting Office,
 41 would result in Florida receiving hundreds of millions of
 42 dollars more of federal funds in distribution, which amounts to
 43 its fair share, and

44 WHEREAS, according to the 2002 financial data of the Agency
 45 for Health Care Administration, uncompensated care in Florida's
 46 hospitals is growing at the rate of 12 to 13 percent per year,
 47 Medicaid caseloads grew almost 7 percent in the last fiscal
 48 year, and the costs of the Medicaid program continue to grow at
 49 an alarming rate, and

50 WHEREAS, because of the poor reimbursement rates offered to
 51 Florida's physicians due to the disparity created by the funding
 52 formula, many doctors have limited their provision of services
 53 for Medicaid patients and some have stopped treating Medicaid
 54 patients altogether, and

55 WHEREAS, this decline in the number of physicians who will
 56 treat Medicaid patients threatens the quality and availability
 57 of health care to impoverished Floridians, NOW, THEREFORE,

58
 59 Be It Resolved by the Legislature of the State of Florida:

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61 That the Congress of the United States is requested to pass
62 legislation to change the existing formula for the distribution
63 of Medicaid funds from a formula based on per capita income to
64 one based on total taxable resources plus the poverty rate,
65 thereby providing a more equitable distribution of Medicaid
66 funds to the states and bringing the Medicaid program closer to
67 compliance with its stated legislative goal.

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69 BE IT FURTHER RESOLVED that copies of this memorial be
70 dispatched to the President of the United States, to the
71 President of the United States Senate, to the Speaker of the
72 United States House of Representatives, and to each member of
the Florida delegation to the United States Congress.