

HB 2556 - DIGEST

Finds that there is a significant disconnect in the state's medicaid program between recipients and those delivering and paying for their care. Medicaid recipients are not empowered to make decisions regarding their own health care needs. Nor are there incentives for medicaid recipients to be prudent purchasers of health care. The legislature further finds that eight hundred fifty-four thousand individuals or fourteen percent of the state population are enrolled in the state's medical assistance program. State spending for health care within the state's medical assistance program has grown by one hundred thirty-nine percent in the past ten years, and has risen from 6.5 percent of state spending in 1994 to 13.4 percent in 2007. This rate of growth is unsustainable and jeopardizes the state's ability to meet funding needs in such areas of budget priority as K-12 education, higher education, public safety, and employee compensation.

Finds that significant reforms must be made to the medical assistance program to control the program's growth in order to ensure its preservation as a vital safety net for the needy and vulnerable in our state. Marketplace principles and marketplace mechanisms must be introduced to the medical assistance program to encourage recipients to be active participants in their health care.

Directs the department of social and health services to submit a waiver request to the center for medicaid and medicare services under section 1115 of the social security act to initiate a waiver research and demonstration project. The waiver request shall create a consumer-directed medicaid coverage plan that includes personal health accounts and personal health incentives and provides for consumer choice.