

Francis Xavier Rullan

Director of Communications

Office of the Governor

Division of Medicaid



Thank you for inviting me to share a few thoughts with you today. I'm really no speech maker, but I really enjoy meeting people and I enjoy good conversation.

In a letter to James Madison in the year 1787, Thomas Jefferson said, "To give information to the people is the most certain and legitimate engine of government." To paraphrase his wisdom to meet today's info-tainment hungry media, "To give **correct** information to the people is certainly the most urgent and legitimate engine of government."

Some of you might recognize my name from television or newspapers. Most recently I have been quoted in the print media concerning matters pertaining to the redistribution of funds to our hospitals. When I studied journalism, we were taught that a journalist was a person who had a burning need to be an eye-witness to the truth and to relate the truth to the public who could not be a witness to it themselves. To report a story, not to further a political or corporate agenda for financial gain. **(Tell of recent headlines here. If a tree falls.../ if the feds haven't said we owe the money... do we owe it?/ \$171M due to MHA miscalculations, asking for forgiveness/**

\$90M due to DHS payment method, 1.3-5% revenue assessment not a done deal.)

As far as the modern media is concerned I think they feel it is easier to fight for their alleged principals, than to live up to them.

(Jack Benny Story Here.)

To prepare for today, I have been reading about the Civitans. I've learned you are everyday citizens who come together in communities throughout the world to make life better for their neighbors.

Family, friends, neighbors and co-workers meet at local Civitan clubs to socialize, learn and serve in their communities. Starting with just a single club and a vision for helping others, Civitan has grown to over 40,000 members in 24 countries, including youth and college programs. Founded on the most basic moral and spiritual values, Civitans' commitment to identify and address needs in their communities has set them apart from other social and service organizations.

Based on what I've just shared with you, we certainly have important common goals.

At the Office of the Governor Division of Medicaid, it is our mission to promote a caring organization and to treat our recipients, providers and employees with respect, dignity, honesty and compassion. We strive to provide financial assistance for the provision of quality health services to our recipients with professionalism, integrity, compassion and commitment. We are advocates for, and accountable to the people we serve.

We value and encourage teamwork, the highest ethical standards, and a desire to improve our communities. It is also safe to say we embrace change for the betterment of all we serve.

You see, our goals are very similar:

- ➡ Because as involved citizens, we care about our health and that of our family, friends, neighbors and community,**
- ➡ Because as consumers, we care about having access to affordable high quality health care, and**

➡ Because as taxpayers, we care about keeping the cost of care under control, we want it to be delivered as efficiently and waste-free as possible.

I was reading an Associated Press article about the new Medicare drug plan recently. There's been a lot of "ink" about it. The article quoted Secretary of Health and Human Services Mike Leavitt as predicting that, about 38 million beneficiaries out of nearly 43 million in the U.S. would have some prescription drug coverage this year, either through Medicare, their employer or through another government program.

It has become troubling to me that so many older Americans have not been more proactive in making the transition to this Medicare program.

To start with, too many do not know the difference between Medicare, and Medicaid.

Here's the difference.

Medicare is a federal program that pays for certain health care expenses for people aged 65 or older. Enrolled individuals must pay deductibles and co-payments, but much of their medical costs are covered by the program.

Medicare is divided into four parts. Part A covers hospital bills, Part B covers doctor bills, Part C provides the option to choose from a package of health care plans, and Part D covers prescription drugs.

Medicaid is a federal-state entitlement program for low-income American citizens. The Medicaid program is part of Title XIX of the Social Security Act that became law in 1965.

Medicaid offers federal matching funds to states for costs incurred in paying health care providers for serving covered individuals. State participation is voluntary.

Our Mississippi match rate is about 3 to 1. In other words for every dollar our state contributes to the program, the federal government matches it with three dollars. The key to the match

is ... first you have to have state dollars to pull down those federal dollars!

More simply stated, if the state cannot afford to put down dollars, the federal dollars are not forthcoming.

Mississippi chose to begin participating in Medicaid in 1970. In its first full fiscal year, Mississippi Medicaid posted 218,505 beneficiaries. The total Federal/State cost amounted to \$38,126,339.

Thirty-four years later, in SFY 2004, our program reported 768,000 beneficiaries, and that didn't account for 64,500 CHIP kids!

The total Federal/State cost of the program was right at \$3.5 billion.

The state share alone was about \$730 million.

At this point, let me remind you that our program in Mississippi is very tightly regulated by our state legislature as well as by the federal government.

For the most part, our job at Medicaid is to operate the program within the guidelines mandated to us by state and federal law.

In other words, and contrary to what the media may lead you to believe, we at Medicaid do not make the laws that regulate our program, the lawmakers do!

Looking back at SFY 2002, 2003 and 2004, money was tight and things got tough. The media dramatized our program's growing pains with "gloom and doom" headlines. There were stories about "throwing the elderly out of nursing homes," and "recipients who were going to die," because of program changes that became necessary to keep Medicaid afloat.

To address what seemed to be “runaway growth,” legislation was passed during the 2004 Regular Session. It became known as “The Medicaid Reform Act of 2004.”

Among other initiatives, this law had policy reforms that focused on: eligibility determination... establishing a beneficiary health care home... disease management provisions... and maximizing federal matching funds to provide more and better services.

The reform of Medicaid was deemed necessary because the explosive growth rate of the program was endangering the sustainability of Medicaid... as well as other government services such as education.

When Governor Barbour signed this Act into law he said, “We are getting control of Medicaid spending by controlling pharmaceutical costs, pursuing disease management strategies and offering provider and patient education as ways that will more effectively run this program.”

One key cost control was it authorized only the Division of Medicaid to actively determine or re-determine the eligibility of each and every beneficiary. During this federally mandated process, qualified beneficiaries are now offered an optional physical examination.

By providing an optional physical examination to every Medicaid beneficiary, the Division hopes to establish a baseline health status for each individual who takes advantage of it. This will allow health care providers to better target disease management practices, and focus on disease prevention.

We're going to "keep this ball in play" because we're seeing by shifting our focus from "just paying the bills" to "wellness" we're actually lowering program costs. More importantly, by embracing the roads to good health, we are building a healthier Mississippi.

That's good news for everyone because we want and need a healthier Mississippi!

Someone once asked, “Why doesn’t the fellow who says, ‘I’m no speechmaker,’ let it go at that ...instead of giving a demonstration?” I’ve taken enough time talking up here.

Thank you for asking me to be with you. And together, let’s continue to build a healthier Mississippi!