



Medicaid Needs Assistance in Resolving Funding Crisis

Medicaid Director states, "There is a desperate need for appropriations to cover the projected \$268M deficit for the remainder of this fiscal year."

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(Jackson, Miss.) The Division of Medicaid announced today that they currently have only enough funds to pay claims for services provided to Medicaid beneficiaries through Friday, March 11, 2005. This additional period of claims payment results from using the Line of Credit allowed under state law to borrow \$50M. "Even \$50M provides a little over an additional two weeks of payments for a program of this size. Executive Director Dr Warren Jones stated, "It is extremely important to preserve access for the current 780,000 Medicaid recipients in this state. The only way to do that is to get resolution to the funding shortfall for this fiscal year as quickly as possible. As soon as State dollars are available for match, we will be able to cover all claims."

The Division recently announced a \$268 million deficit for the current fiscal year. Said Dr. Jones, "On February 3, 2005, I released a statement and the following week I sent a letter to providers advising them that we had funds to pay for services through February 28, 2005 only. This communication has caused many of them to cancel appointments for Medicaid recipients and to cancel surgeries, dental procedures and other important services. Some are even reportedly requiring Medicaid patients to pay for services in cash in advance. I am encouraging my healthcare colleagues to please continue to provide your valuable services to our beneficiaries. Your cooperation in this vital matter and your compassion for our beneficiaries is especially appreciated during this crisis."

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