

For Immediate Release  
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Contact: Francis Rullan  
(601) 359-6078

### **Medicaid Nursing Home Recipient Payments Must End July 1<sup>st</sup>**

Jackson, MS – Medicaid Executive Director Rica Lewis-Payton released a list of optional services that will be eliminated or severely impacted because of a legislative funding shortfall. For every \$1 budgeted to the Mississippi Medicaid program in state funds, the federal government matches another \$3. What this means is the \$120 million cut in Medicaid's state fund appropriation would actually result in an immediate reduction of \$480 million in both state and federal dollars in Mississippi's overall economy.

“There are those who are trying to divert the attention of concerned Mississippians by saying I'm using ‘scare tactics,’” Lewis-Payton said today. “This situation is very serious and I have an obligation to inform recipients and their families now so they have as much time as possible to make appropriate arrangements.”

Starting July 1, 2002 the Division of Medicaid must eliminate almost \$500 million from its budget. Optional Nursing Home Residents and Prescribed Drugs must be included because elimination of all other optional services on the list will generate less than \$50 of the \$500 million needed. “Thus, it will not balance the new Medicaid budget. Not only will this budget negatively effect the health status of Mississippians, it will have a devastating impact on the economy in this state and will shake the foundation of the health care system in Mississippi.”