

Medicaid reaches more

Maryland is patching together expanded coverage for the low-income uninsured

By Laura Smitherman

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As one of thousands of uninsured Marylanders, Adamantious Boulis put off trips to the doctor to treat his diabetes and colon cancer because he knew he wouldn't be able to pay the medical bills.

Now he is faced with more medical problems - yesterday, he was back at Johns Hopkins Hospital, waiting for biopsy results.

Only this time, he and his wife are less worried about the bills: They are now eligible for Medicaid under an expansion of the state's health insurance program for the poor that takes effect today.

"They should have done this long ago," said his wife, Alanna Boulis. "It is nerve-racking, especially for him. I worry more for him than for myself."

The Medicaid expansion is one of several measures enacted in the past eight months that state officials say will eventually take more than 100,000 residents off the uninsured rolls.

The patchwork of health care measures has a cradle-to-grave effect - not only bringing more children and families into Medicaid but also helping small businesses to provide employees with coverage and seniors to buy prescription drugs. Other bills aim to regulate pharmacy benefit managers, possibly leading to lower drug costs.

With little federal action to establish universal health care, states have taken the lead in efforts to expand coverage in recent years. Maryland's new laws don't take the state as far as Massachusetts, which established universal coverage two years ago through a combination of subsidies, mandates and the creation of a new health insurance exchange.

But state officials say the bills are a crucial first step toward making sure all Marylanders have access to care.

"This moves Maryland back into a leadership position that we had ceded for some time," Maryland Health Secretary John M. Colmers said of the package of new laws.

"While it does not solve all of the problems, it does make a major dent in the number of uninsured. Until the federal government acts, we are going to have to look for making important incremental changes when we can."

About 800,000 residents, or 14 percent of the state's population, lack health insurance. While Maryland has one of the most comprehensive Medicaid programs for children, it ranked among the most limited in terms of eligibility for adults.

That meant that heads of households like Alanna and Adamantious Boulis were able to get care for their children but not for themselves.

The Baltimore couple, who are in their 50s, care for their teenage daughter and often their young grandchildren, including a granddaughter with Down syndrome. Alanna Boulis said yesterday after visiting with a doctor that more tests were ordered for her husband.

Under the new law, parents with annual incomes up to 116 percent of federal poverty guidelines, or about \$20,500 for a family of three, are eligible for Medicaid.

Under the old standards, the income cap for such a family was less than \$7,100. To address fiscal concerns about the cost of the program, legislators decided to phase in eligibility for all adults, including those without children, over the next several years.

Whether the future expansions happen could depend on November's referendum on legalizing slot machines.

Gov. Martin O'Malley and legislative leaders are counting on roughly \$600 million the state would receive from licensing slots parlors to balance the budget and to pay for health care and education initiatives.

The state covers children in families earning up to three times the poverty level. Still, about 140,000 Maryland children lack insurance, including 90,000 who are eligible for assistance but haven't been enrolled.

Another law that takes effect today aims to change that. It requires that families indicate on their income tax forms whether their children have insurance. The comptroller will use that information to send parents enrollment forms for Medicaid if they meet the income requirements.

In addition, about 100,000 adults under 25 years old are uninsured. Under a new law that took effect earlier this year, insurers that are regulated by the state are required to allow people in that age group to stay on their parents' plans.

Even more residents are expected to get health insurance through a new subsidy to encourage more small businesses to offer coverage to their employees. A business that has fewer than nine employees with the average wage below \$50,000 is eligible for subsidies to cover up to 50 percent of premiums.

With prescription drug costs becoming too high for many residents, the legislature also approved a program that begins next year to help seniors bridge the "doughnut hole," an often-criticized cost-saving measure built into the Medicare prescription drug benefit passed by Congress in 2003. CareFirst BlueCross BlueShield, the region's largest insurer, pledged to fund the \$7 million annual program that will help an estimated 7,500 lower-income residents.

In addition, the legislature passed a series of bills to regulate pharmacy benefit managers. The effort comes after companies including CVS/Caremark Corp. and Medco Health Solutions Inc. have settled with state regulators in cases involving consumers allegedly being switched from lower- to higher-cost medications without any medical benefit.

Those bills, which become effective in October, require pharmacy benefit managers to register with the Maryland Insurance Administration and to disclose information about drug changes and rebates received from drug manufacturers.

Del. Peter A. Hammen, a Baltimore Democrat and chairman of the Health and Government Operations Committee, said the measures could lead to lower costs for consumers. About 95 percent of Maryland patients get their prescription drug coverage through such companies.

"This represents the first real effort to appropriately regulate pharmacy benefit managers in the country," Hammen said.

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