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Physicians, nurses, disability groups, human services organizations support physician QAAP

A broad coalition of physicians, nurses and advocates for those who use Medicaid for their health care rallied today on the Capitol steps to express their support for legislation that would raise payments to physicians who see Medicaid patients by 76 percent by using a small special QAAP (Quality Assurance Assessment Program) tax to increase federal funds for Medicaid.

“Failure to pass the physician QAAP will mean a catastrophic 8 percent cut in Medicaid payments to providers who are meeting their obligation to care for all of Michigan,” said Dr. James Fox. “The choice is clear: physicians must join with hospitals, nursing homes and HMOs who already are paying this small fee that brings additional federal dollars to Michigan, or tens of thousands of Michigan’s most vulnerable children, seniors and disabled individuals will see access to health care curtailed.”

Sen. Michael Switalski, D-Roseville, said he hoped all physicians would see the importance of investing in additional reimbursement for physicians who see the state’s most vulnerable citizens. “I know doctors don’t like this tax,” said Switalski. “But it is the only option out there that can leverage the additional federal dollars. Like all taxes it has its problems but I believe we can fix those problems with the doctors’ help.”

Under the proposed legislation:

- Physicians would be assessed a tax of 3 percent of their income. In return, physicians will see Medicaid payments increase by 76 percent.
- The state’s health care system would avoid an 8 percent cut in payments. This would discourage even more physicians from seeing Medicaid patients, driving more patients to emergency rooms and raising the cost of medical insurance for all Michigan citizens.
- That tax would bring in about \$300 million annually. In addition, it would make Michigan eligible for an additional \$822.3 million – adding \$1.1 billion in care for the most vulnerable. The vast majority of Medicaid patients are children, seniors in nursing homes or the disabled.
- This \$1.1 billion in new revenue for the Medicaid system would allow Michigan to increase payments directly to physicians by \$716.2 million. In other words, for every \$1 Michigan physicians put into this program, they would get more than \$2 back.
- Physicians will join hospitals, nursing homes and HMOs in paying a QAAP fee that helps bring more federal money to Michigan for health care. The other QAAPs were developed during Gov. John Engler’s administration, with the support of Republican lawmakers.

“Michigan’s nurses are very concerned about the impact of the proposed 8 percent cut in Medicaid reimbursements,” said Tom Bissonnette, associate executive director of nursing practice at the Michigan Nurses Association. “We believe physicians should step up and show compassion for the poor, while recognizing that they will benefit from this physician QAAP.”

Sharon Parks, president and CEO of the Michigan League for Human Services, said it is important for lawmakers to realize that Michigan’s most vulnerable are facing a medical emergency if reimbursements are cut 8 percent. “Senior citizens, children and the disabled make up the vast majority of the Medicaid population,” said Parks. “We are hearing that nursing homes may be forced to close or limit beds available to Medicaid patients if the QAAP proposal fails. Already Michigan’s children are suffering due to a lack of access to physicians under the current Medicaid funding; another reduction may put children’s lives at risk.”

RoAnne Chaney, health policy manager for the Michigan Disability Rights Coalition, said thousands of people with disabilities who are unable to work face serious difficulties obtaining proper health care today. “If physicians were reimbursed at Medicare rates, as this legislation provides, they would be more willing to see people with disabilities and help improve their health and quality of life – and in some cases, extend the years they live. This is literally a matter of life and death for many of my friends and colleagues,” Chaney said.

The legislation, HB 5386, is the subject of a hearing at 1 p.m. Tuesday by the Senate Community Health Committee. It has already passed the state House of Representatives.