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## State Medicaid reform on hold

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Louisiana's efforts to reform its Medicaid program will have to wait until a new U.S. Department of Health and Human Services secretary is approved by Congress.

Secretary of Health and Hospitals Alan Levine said Monday that Medicaid reform is essentially on hold because the state's requested waiver can be approved only after a new federal HHS secretary is appointed. Earlier this month, U.S. Sen. Tom Daschle of South Dakota withdrew his the nomination because of unpaid taxes.

"I expect the waiver probably won't be approved until late summer," Levine said at a health-care meeting sponsored by Vantage Health Plan in Monroe.

Levine promotes a plan to overhaul how Louisiana addresses Medicaid needs and payments.

The plan would tie Medicaid payments to patient wellness and institute a managed-care plan to trim fraud and waste, improve care and health outcomes.

The second part of the reform would establish coordinated care networks, initiate user-choice options and provide expert counseling for patients.

The third part of the package involves incentives to drive consumer behavior. Under the plans, consumers would be given a small amount of money to buy health-care services.

"The challenge is to look at what's working well and weeding out what is not working well," Levine said.

Levine said a constricting budget is another major challenge.

Levine said the state's Medicaid match from federal stimulus is projected to be \$1.6 billion. However, Levine believes that projection is overestimated by about \$500 million, and he knows state budget cuts loom.