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Recession May Exacerbate Medicaid Problems

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Dec. 31--Even in a doctor's office, there is usually a calm before the storm. That's how Dr. George Hruza knows it's about to pour.

Hruza, a dermatologist who practices in Town and Country, said there has been a noticeable slowdown in the stream of patients coming into his office in the past few months. Other area doctors have reported the same trend, said Hruza, who is president of the St. Louis Metropolitan Medical Society.

Experience tells him the shift means sick people are putting off going to the doctor, a typical occurrence when the economy slumps, unemployment spikes and the newly jobless are left without health insurance. But those sick people will be back eventually, he said, with ailments that have had time to fester and progress, and they'll need help paying the bills.

For some, that's where Medicaid comes in. A recent study by the Kaiser Family Foundation projects nationwide enrollment in the public health insurance program for low-income Americans will surge in the 2009 fiscal year as the economic recession continues.

The U.S. unemployment rate has climbed to 6.7 percent in November from 4.7 percent a year ago, and the foundation estimates each percentage point increase adds a million people to the Medicaid and State Children's Health Insurance Program.

But many warn the program in Missouri is already spread thin, even without the strain from tens of thousands more patients. Patients complain it's hard to find doctors -- particularly specialists -- who accept the insurance, while doctors say the program pays poorly and is a hassle to use.

Take Chris Powers, a St. Louis resident who spent much of last year seeking a doctor to fix a botched surgery on his right hand.

"It was like pulling teeth to find doctors that were orthopedic surgeons in the area that would take Medicaid," he said.

Powers, 49, said he was directed to a long list of health care providers in Missouri, compiled by the Missouri Department of Social Services, that purportedly took Medicaid insurance. But many of the doctors on the list had stopped taking new Medicaid patients or they had given up serving program participants at all, he said. Other numbers were inaccurate or had been disconnected.

When the Post-Dispatch randomly called dozens of providers on the list, there were similar results. Many offices weren't taking new Medicaid patients, some said they only took children and some

phone numbers didn't work.

Powers, who suffers from Dupuytren's contracture and can't extend the fingers on his right hand, said he couldn't really blame the doctors -- he knew there wasn't much incentive for them to take Medicaid patients.

Medicaid often pays doctors much less than Medicare or private insurance companies for the same services.

Dr. Robert Brennan Jr., an obstetrician and gynecologist in Mehlville, said other insurance companies pay about \$1,200 when a patient has a hysterectomy, but Medicaid usually pays about \$300 or \$400, which he said barely covers his costs. Brennan still takes Medicaid patients, but he said the low reimbursement rates are discouraging.

"It makes it difficult," he said.

Arleasha Mays, a spokeswoman for Missouri's social services department, said her office has no evidence it has become any more difficult for Medicaid patients to find doctors in recent years.

The list of providers in the state has actually grown by nearly 2,000 names -- to 17,580 -- in the past two years, but she said the department has no way of telling if all those physicians are still taking patients. Doctors aren't removed from the list unless they request to be, she said, but MO HealthNet has staff that help Medicaid patients find doctors.

"There is a possibility that the list could be somewhat out of date," she said.

In anticipation of more enrollment this year, Mays said the department requested increased funding from the state and began to accept applications online to allow easier access to the program.

Although there is no definitive data for Missouri, there has been a slow, documented decline in doctors taking Medicaid nationwide over the past decade. A study by the Center for Studying Health System Change indicated 12.9 percent of physicians took in no Medicaid revenue in 1996 compared to 14.6 percent of doctors in 2005.

For Hruza, the dermatologist, he said it doesn't make sense to even mess with Medicaid. Instead, he said, he sometimes treats Medicaid patients for free, avoiding the burdensome paperwork. But he still turns away some Medicaid patients, and considering the projected swell in the program's enrollment this year, the problem seems likely to get worse.