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Thousands Will Lose Medi-Cal Coverage

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He's a single man in his early 20's, just starting out in life with a job at a small firm which provides no health insurance. All of a sudden, he becomes seriously ill and seeks medical care at a local hospital.

He's the typical "medically indigent adult," according to County Health Services Administrator Ellie Hall, and some 2,500 persons like him get treatment in this county each month and have their bills paid by Medi-Cal.

Those medically indigent persons are due to lose their Medi-Cal benefits on Jan. 1.

As a budget-cutting measure, the state Legislature recently passed a bill (AB 799) which reduced the state's Medi-Cal budget by nearly \$400 million and handed over to counties the responsibility of making sure medically indigent adults receive care.

Legislators not only burdened the counties with this responsibility, but also gave them less money to do it.

The bill provides that counties will get just 70 percent of what they would have spent this year for medically indigent adults under the Medi-Cal program, Hall explained.

Hall estimates this county will receive \$3.5 million this year to administer the program and pay the medical bills, compared to more than \$5 million last year. The money under the Medi-Cal program was paid directly to the health care providers.

Whereas AB 799 also contains provisions which affect the overall Medi-Cal program, being given the responsibility for the medically indigent adults affects counties like Santa Cruz the most, Hall told county supervisors this week.

The bill is a godsend to counties which operate their own hospitals because they now will be able to require medically indigent adults to go exclusively to the county hospitals, Hall said.

But the legislation put a burden on the 27 counties throughout the state, including Santa Cruz, which don't run their own hospitals.

These counties will either have to go out and contract with private hospitals, doctors and dentists to care for the medically indigent or can have the state administer their programs, she explained.

This county actually has two options, according to Hall.

One is to join up with several other small counties and have the state administer a program for all these counties. The other option is for the county to shoulder the responsibility on its own.

One of the drawbacks of having the state administer the program for a group of small counties, Hall said, is that the counties will then give up their say about what types of free health care medically indigent adults will be provided.

Under the Medi-Cal program, she explained, medically indigent adults received a wide variety of free health care.

"Right now, the medically indigent adult program covers such services as hospital care, dental, eyeglasses and vision, pharmacy, ambulance, home health care, home therapy, psychology, emergency care A lot of people have criticized the program because it's much more comprehensive than most health insurance programs," Hall told The Sentinel.

But this probably will change, once the program is taken out from under the umbrella of Medi-Cal.

If the county decides to administer the

program, it may have to cut some of those benefits due to dwindling state funds to run the program, Hall said.

The county could even decide that certain people are no longer considered medically indigent adults, she added.

There presently is no definition of what an "indigent" is, Hall said. "This just may precipitate a statewide definition of what is 'indigent'."

If the county goes in with a group of small counties and has the state administer the program, then someone in Sacramento will decide what kinds of free health care medically indigent adults will be getting here, she pointed out.

Hall and staff now are trying to figure

out just how this county will handle this new responsibility. To plan for the new program, supervisors this week unanimously authorized the hiring of two additional employees in the Health Services Agency.

Their salaries, Hall said, will be paid for out of the money the state sends the county for the program.

Supervisors also directed the Health Services Agency and the County Administrative Office to work with the state in developing a satisfactory program for state administration of the medically indigent adult program for small counties.