As the state’s current budget crisis looms, it is vital to pursue cost-effective, long term solutions that will improve the health of Oklahomans and foster a vibrant economy. By stabilizing Medicaid provider rates, offering private insurance to hundreds of thousands of currently uninsured Oklahomans, and bolstering support for mental health programs, the Medicaid Rebalancing Act of 2020 is crucial to the continued success of Oklahoma’s community health centers and safety-net providers.

Oklahoma Primary Care Association supports this plan to reclaim federal funds to grow the widely-acclaimed Insure Oklahoma program and restore Medicaid provider rates to a sustainable level.

1. The Medicaid Rebalancing Act will increase health insurance coverage.

Oklahoma currently has the third highest uninsured rate in the country, and the highest rate of uninsured children. Community health centers see high proportions of uninsured patients and often struggle to afford providing care to this group. In March of this year, in response to the second round of midyear budget cuts, the Federally Qualified Health Center Uncompensated Care Fund was eliminated along with the New Development Fund for new health center sites and services. The Uncompensated Care Fund provided last-dollar funding to health centers with high uncompensated costs from providing care to uninsured patients. Consistent with the health center model, these community health centers provide care regardless of ability to pay. Patients under 200% of the Federal Poverty Level receive care on a sliding fee scale and patients with household incomes below 100% FPL receive fully discounted care. Continuing to deny coverage options to over 175,000 Oklahomans does not only lead to poorer health outcomes for those individuals and families; it hurts our state economy by turning away funding that is critical to health care providers in the lurch of a state budget crisis.

2. The Medicaid Rebalancing Act will restore Medicaid provider rates.

In the wake of the Oklahoma Health Care Authority’s announcement that Medicaid rates will be cut by 25% on June 1, health care providers have lined up to vocalize what the cuts will mean to their organizations. It is difficult to overstate the impact that such severe cuts could have on the state’s healthcare environment and the Medicaid program overall. From the immediate and widespread closure of hundreds of facilities to the dissolution of the Medicaid program altogether, such cuts could cripple Oklahoma’s healthcare and undo decades of progress. Oklahoma Primary Care Association and safety-net providers are dedicated to addressing healthcare needs...
and preventing avoidable chronic illnesses, and the breakdown of the state's healthcare infrastructure would certainly lead to generations of increase healthcare costs and decreased healthcare outcomes.

3. The Medicaid Rebalancing Act will shore up funding for mental health and secure financial stability for other health programs.

By reclaiming federal funding and using it to actually decrease the size of the traditional Medicaid program, Oklahoma can redirect state spending to address the state's mental health. Oklahoma is ranked among the lowest states in provision of mental health services and in suicide prevention. Accepting federal funds at a 9:1 ratio will enable state funding to be diverted to other programs desperately in need of support. Community health centers have long been committed to providing integrated, whole-body care, and Oklahoma Primary Care Association supports this measure for its ability to provide much-needed relief to the state’s mental health providers.

4. Funding Insure Oklahoma, the private-public partnership created in 2004, through a cigarette tax increase will decrease smoking and increase health.

Oklahoma continues to have one of the highest rates of adult smokers in the nation. It is the number one cause of preventable death in our state and claims thousands of lives each year. Despite this, we rank in the bottom of states in our combined state and local tax rates for cigarettes. Raising the price on a pack of cigarettes will discourage smoking use and will prevent vulnerable youth from picking up a dangerous and deadly habit. In addition to bettering the health of current smokers and second-hand smokers, lowered smoking rates would drive down healthcare spending. Oklahoma’s high prevalence of smoking affects all Oklahomans in the form of higher insurance premiums and increased public spending on avoidable chronic disease. By disincenitizing smoking, we can focus spending on primary care, prevention, and total-person health.

The Medicaid Rebalancing Act would accomplish much of Governor Fallin’s stated goals in the 2016 State of the State Address. It is time for Oklahoma to engage in forward-thinking and embrace this option to restabilize our healthcare system and ensure access to affordable, community-based care.

Go to OKPCA’s Action Center to quickly contact your legislator and ask them to support the Medicaid Rebalancing Act of 2020!