

Medicaid bill, cigarette tax hike to be next big vote for Illinois lawmakers

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SPRINGFIELD, Ill. -- Medicaid reform, tied in with a \$1- per-pack tax hike on cigarettes, is awaiting debate in the Illinois House and Senate this week.

Provisions that could either save money or generate tax revenue totaling \$2.7 billion, are considered the biggest test of whether Gov. Pat Quinn's proposed budget will pass by May 31, when the legislative session ends.

"There are 10 days left to do the right thing," Quinn said during a press conference Monday.

Sen. Heather Steans, D-Chicago, and Rep. Sara Feigenholtz, D-Chicago, unveiled their plan, which they say would cut \$1 billion from Medicaid programs and trim other costs by \$900 million. By tying in a \$700 million cigarette tax and boosting hospital assessments, the legislation would meet Quinn's goal of cutting/generating \$2.7 billion within the state budget.

"This will not be easy legislation to pass, and the cuts will be felt by real people, but they're necessary to ensure Medicaid and other state services are still there for those who need them," Steans said.

Feigenholtz filed a House amendment in cooperation with Steans on Monday. In part, it would cut \$240 million in rates paid to many hospitals and nursing homes. Sponsors say those cuts will not affect rural or urban hospitals that care for the state's poorest residents.

The Illinois Hospital Association is studying the legislation.

The bill would cut \$1 billion in Medicaid programs or coverage options. It would eliminate the Illinois Cares Rx program, which helps nearly 200,000 seniors get prescription drugs, directing them to Medicare and other programs. It would eliminate dental care for adults, but allow emergency dental care. Eyeglass purchases for Medicaid patients would be limited to one pair every two years. Cesarean section births would be covered at the same reimbursement amount

as vaginal deliveries unless the C-section can be proven to be necessary. Limits would be placed on podiatric care for people with diabetes.

Rep. Jil Tracy, R-Quincy, said the Medicaid reform package is the first order of business. Other pieces of the budget, such as pension reform and agency budget cuts, are expected to be easier once the Medicaid package is passed in some form.

"Everything else is contingent on that target," Tracy said.

Rep. Jim Watson, R-Jacksonville, said the Democrats' plan is predicated on forcing Republicans to decide whether they will vote for reforms as well as a cigarette tax increase.

"A lot of people are being held hostage with anything to help the hospitals being tied into the cigarette tax," Watson said.

The tax hike also is seen as a way to catch up on delinquent payments for hospitals, nursing homes and other care providers. The state's backlog of bills now is estimated at \$8.5 billion.

Feigenholtz expects the House will vote on the Medicaid package Wednesday or Thursday. Other issues are looming in the background, but getting less attention.

Quinn declined to talk about gambling expansion, which is being promoted as a revenue source for the state.

"Sometimes down here, shiny objects can distract people," Quinn said as he brushed aside the gambling question.

Todd Maisch, vice president of the Illinois State Chamber of Commerce, has been watching a minimum wage bill that passed out of a Senate committee last week. The bill's sponsor plans to hold a meeting with proponents and opponents on Thursday.

"We're taking it very seriously," Maisch said.

Legislature leaders and many downstate lawmakers say the plan to phase in minimum wage of \$10.65 per hour has no chance of passage.

The Associated Press provided information for this story.