

## Medicaid bill stalls; sponsors remain optimistic

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SPRINGFIELD, Ill. -- Sponsors of a Medicaid reform bill say they remain optimistic about its prospects after a House committee did not hold a hearing on the proposal Tuesday.

Rep. Sara Feigenholtz, D-Chicago, said technical issues stalled consideration of the plan to cut Medicaid, raise cigarette taxes and lower some reimbursement rates for care. She has been told the committee meeting should come later this week.

"We have no choice. We have to reform Medicaid in Illinois to correct a structural deficit," Feigenholtz said.

The bill would either cut costs or raise revenues totalling \$2.7 billion. It has been seen as the top issue for lawmakers, who are scheduled to complete work by May 31.

"I think it's Medicaid, then pensions and the budget. That's the priority list," said Sen. John Sullivan, D-Rushville.

Democrats and Republicans are still counting votes for the legislation and agree that higher cigarette taxes will determine the fate of Medicaid reform -- for better or for worse.

Many Republicans oppose the tax increase. Feigenholtz said passing other Medicaid provisions without the tobacco tax would leave a hole in the plan. Those funds would probably have to be cut from education and human services, which already are short of funds.

"I think there are some House GOPs that are considering it," Feigenholtz said.

Increasing cigarette taxes by \$1 per pack and a hike in taxes on other tobacco products is seen as the source of between \$700 million and \$800 million to shore up Medicaid.

Sen. Dale Righter, R-Mattoon, said he likes the idea that a section of the Medicaid bill "cuts up the state's Medicaid credit card" by reducing expenses. Righter did not endorse the entire bill.

Sullivan said different groups also have complained that the bill is changing. Pharmacists say they face a higher decrease in prescription reimbursements than discussed in earlier talks. Hospital executives say there are issues with changes in how they will be affected.

Even with those disagreements Sullivan said the cigarette tax is the hardest part.

"I want the cigarette tax to be a stand-alone vote. It could be put in with charity care and hospital assessments and then I would have a dilemma," Sullivan said.

Carthage Hospital is one of six hospitals in Sullivan's district and it currently faces property tax assessment that drains funds that could better be used elsewhere.

Feigenholtz said work continues on the 500-page legislation.

"There are a lot of moving parts," she said.

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