GOVERNING

IN A GOLDEN STATE

Jerry Brown's California legacy

MEDICAID DELIVERS HEALTH, HOPE TO MILLIONS

Q&A WITH PAUL TUFANO
CHAIRMAN AND CHIEF EXECUTIVE OFFICER, AMERIHEALTH CARITAS

In July of this year, we marked the 53rd anniversary of Medicaid. The program was part of a legislative package introduced by President Lyndon B. Johnson during his 1964 State of the Union Address when he announced his administration's "unconditional war on poverty." Yet, poverty and the need for Medicaid remain, with an estimated 14 percent of Americans living below the federal poverty line — a 1 percent increase since the war on poverty began. Over the last half century, public debate has vacillated for and against Medicaid, even though poll after poll shows a majority of Americans look favorably on this program to aid the poor. Here, Paul Tufano, Chairman and CEO of AmeriHealth Caritas, a national leader in Medicaid managed care serving 5.3 million members, discusses the profound and world-changing impact of Medicaid and why Americans must reach common ground on this important program.

Q: Why is Medicaid an essential government program?

In 1965, President Lyndon B. Johnson reaffirmed our nation's commitment to treat all people equally when he signed Medicaid legislation into law. And with that simple stroke of a pen, he changed our country, if not the world, forever. Medicaid is a commitment to helping our most vulnerable citizens at a time of need, and that commitment is grounded in the founding principle of our nation — that all people have the right to "life, liberty, and the pursuit of happiness."

With the enactment of Medicaid — part of President Johnson's war on poverty — our leaders sought to honor this unique American value by seeking to eradicate the scourge and despair of poverty and give every American, regardless of race, income, or standing, the same chance to be healthy.

Q. Why do we hear arguments against Medicaid?

Unfortunately, the word "entitlement" has become part of our lexicon to describe programs such as Medicaid rather than words like "compassion" and "empowerment." We hear debates about its cost and see finger-pointing at recipients who are often stereotyped. These misconceptions, unfortunately, often overshadow the facts.

Q. Can you clarify some of the misconceptions around Medicaid?

Medicaid serves low-income families and individuals who have no other means for health care, including the elderly, blind, disabled, chronically ill, and children.

Today, with Medicaid's expansion in 32 states following an optional provision in the Affordable Care Act, an estimated one in five Americans are covered by Medicaid. According to the Centers for Medicaid & Medicare Services, that's around 75.1 million people who are enrolled in Medicaid programs nationwide; nearly 40 percent of them are children and another 22 percent are elderly or disabled. And the 6 million recipients who are senior citizens use a disproportionate percentage of resources, as compared to the larger population, at nearly 40 percent.[1] The reality is, the faces of Medicaid are the faces of America. They're our neighbors, co-workers, friends, and family members. For many of them, Medicaid serves as an engine for their American Dream — a dream to live a healthy life that puts them on the pathway to independence and prosperity.

Q. What are the results of Medicaid?

Since it started over 53 years ago, Medicaid has served and improved the lives of hundreds of millions of Americans by giving them access to health care. People have gone on to become teachers, first responders, athletes, and, yes, legislators.

The idea that healthy people who are capable of self-sufficiency are on Medicaid for life is a fallacy — studies have proven that Medicaid can actually be a pathway out of poverty for many. One of the more recent studies said Medicaid "is among the most effective anti-poverty programs." Researchers found that it reduced child poverty by as much as 5.3 percent, and in Hispanic and African American households without disabilities, Medicaid reduced poverty by 6.1 and 4.9 percent, respectively. This is what we should focus on — how to leverage Medicaid even more to help people overcome poverty.

Q. How do we reconcile the issue of Medicaid's cost versus its benefits?

There are no easy answers because approximately 14 percent of Americans still live in poverty and we can't stop providing our most vulnerable citizens with health care. So, maybe we should actually reframe the Medicaid debate and ask ourselves instead, "What if we didn't need Medicaid anymore?" In other words, what if we could finally and truly eliminate poverty? Some may find this an absurd question. But is it really any more absurd than asking 50 years ago, "What if we could send a man to the moon and bring him safely back to Earth?" And when talking about poverty, we already know the answer to this "what if"

scenario. We know that eliminating poverty would be one of the most important achievements in our nation's history. The challenging part is figuring out the "how." But I am confident the solution is in our midst.

Q. With all the good Medicaid has done, why do we hear more debate in Congress about its future?

That's a great question, because the debate playing out in both Washington, DC, and in states and courtrooms across the country has pushed many to pick a side: Either shrink Medicaid's burden on the taxpayers who fund it or expand access to health care and improve health outcomes for our neighbors in need. It's a false choice. We are America. We can and must do both.

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