



NEWS RELEASE

State Senator Gary Nodler
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Sen. Gary Nodler Reaffirms that Missouri's Medicaid Spending is Generous

JEFFERSON CITY—Sen. Gary Nodler, R-Joplin, today reiterated that the state legislature's planned budget for Fiscal Year 2006 places Missouri among the most generous states in the nation for Medicaid expenditures.

For the upcoming fiscal year beginning July 1, nearly 29 percent of Missouri's budget is slated for Medicaid, the state-funded health care system for the poor and disabled. Compared to all other states in 2004, Missouri's fiscal plan makes the state the fourth most generous when expressed in percentage of budget expended on Medicaid.

Tennessee, which is currently the most generous state with 33.3 percent of its state budget directed to Medicaid, will not stay at the top position for long. According to *USA TODAY*, the Volunteer State is scrapping its program and starting afresh, cutting more than 320,000 Medicaid recipients from its rolls.

"When a state finds itself spending more on Medicaid than its finite resources can allow, major system reform is the only answer," Nodler said. "We don't want to find ourselves in Tennessee's position in a few years and be forced to eliminate that many more recipients from Medicaid."

Because Missouri's Medicaid program has been growing at a rate of more than \$200 million a year, Nodler said it would not be long before Missouri's situation mirrors that of Tennessee's and collapses on itself. To prevent insolvency from happening, state lawmakers this year passed legislation co-sponsored by Nodler to create a Medicaid Reform Commission. The commission will develop a more efficient Medicaid system and offer its recommendations to the General Assembly by Jan. 1.

In these times of budget shortages, Missouri and Tennessee are not alone in their Medicaid crises; 47 out of 50 states are capping or cutting Medicaid eligibility in response to uncontrolled growth of the program.

“Reforming Medicaid as we are doing now will guarantee the program’s solvency and ability to serve those truly in need while allowing more funding for education and other vital programs and services,” Nodler said. “Even with the proposed changes, Missouri would still be spending more money on Medicaid next year than it will this year, and as a result, we can best protect the health care for those who need it most while investing in the future of our children and our state.”

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