
Medicare & Medicaid Should Not Be on Life Support

Georgia's Medicare and Medicaid programs should be expanded and strengthened, and they should be run by private insurers. However, those insurers should be subject to far more stringent requirements and restrictions that they are now. Examples of this include limits on premium increases and their frequency; reductions/elimination of coverage denials, more efficient records and account management, full accountability for errors, and a simplification of the maze of plans, supplementals and variations.

I believe government (federal and state) should enforce these requirements and restrictions, and should materially regulate the streamlining and improvement of the Medicare and Medicaid programs. This would be accomplished by eliminating loopholes, coverage exceptions and other administrative impediments that prevent people from receiving the best medical care possible, with as few bureaucratic and operational errors as possible.

As for compensation, the Centers for Medicare and Medicaid Services (CMS) allow Medicare plans to be “heavily incentivized” to spend at least 85% of their premium revenue on clinical services and quality improvements, which caps insurer administrative costs and profit at 15%. Under these same rules, Medicaid Insurers must spend at least 85 cents of every premium dollar on actual medical care. Anything less than 85% must be returned to the funding source.

I believe that 15% level is acceptable, but that it should be mandated in Medicare instead of “incentivized”.

In recent years, the Republican-controlled Congress and the Georgia General Assembly have chipped away at Medicare and Medicaid funding and staffing causing marked increases in administrative mistakes, coverage denials and the actuarial soundness of capitation rates. Medicare and Medicaid recipients are paying more but getting less. We'll see this worsen in January when the “Big, Beautiful Bill” cuts to those programs take effect.

I think it's a disgrace that Medicare and Medicaid have been systemically sacrificed while the funding they deserve is squandered on ludicrous projects at state and federal levels.