

# OPINION

COMMENTARY, LETTERS AND VIEWPOINTS FROM THE HOUSTON BUSINESS COMMUNITY

## GUEST EDITORIAL

### Medi-Cal case has big implications for Texas

Medicaid reform is serious business. In fact, Medicaid policy has become so serious that the U.S. Supreme Court is considering whether citizens have the right to sue states over Medicaid provider reimbursement levels.

The case stems from California's attempt to cut Medicaid (called Medi-Cal there) rates to a level that would cause many health care providers to drop out of the program, thus restricting patients' access to care to a level below federal standards.

Adding to the challenges facing Californians, the Obama administration recently blessed devastating 10 percent cuts to Medi-Cal that jeopardize the ability of many health care providers, including pharmacists and physicians to serve a growing number of patients in that state. The decision is at odds with the administration's promise to increase access to care for Americans.

Texas is currently engaged in its own changes to Medicaid, and we should not allow similarly damaging policies to take hold in our state. Following approval of Senate Bill 7 by the Texas Legislature in the legislative session earlier this year, the Texas Health and Human Services Commission is working to move other elements of our state's Medicaid program to a managed care framework. One example is the proposed move of pharmacy services into managed care, which could result in the closure of many community pharmacies across the state, thereby reducing patient access to pharmacy services that could potentially result in a federal court case similar to the one in California.

By law, Medicaid programs must provide a level of access to care for patients equal to the availability of health care in the private sector. This requirement must be considered before making decisions regarding Medicaid that could result in federal court litigation.

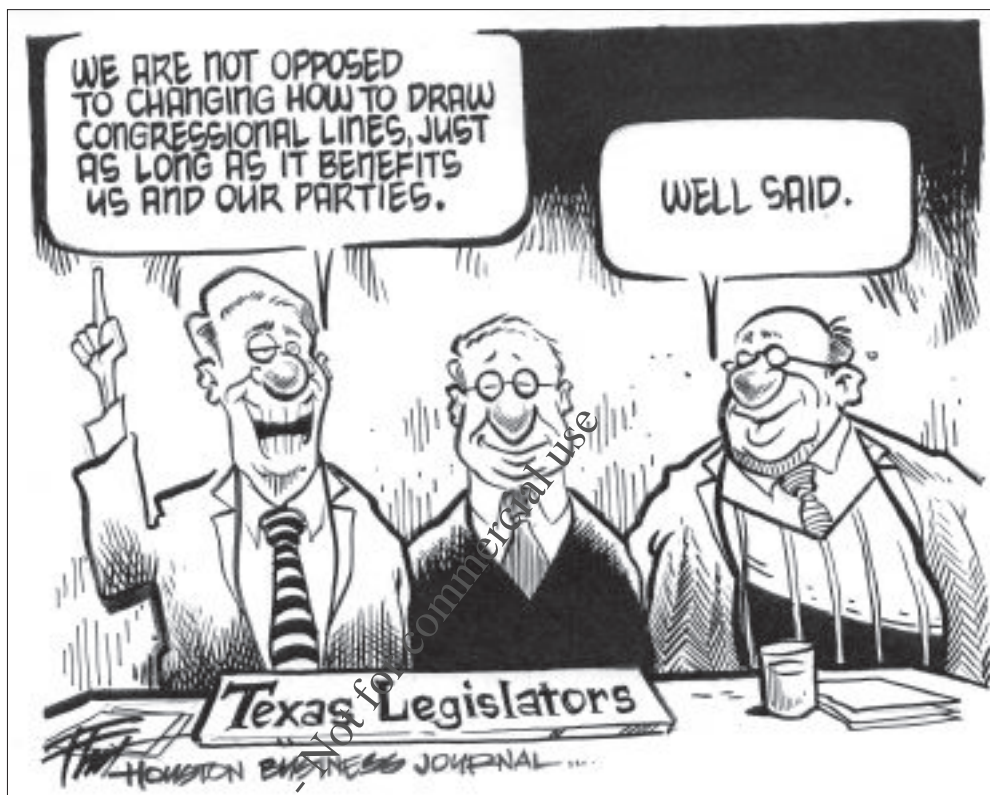
Initial steps by the commission toward implementing a move to managed care for pharmacy benefits should raise a red flag as to whether the state's Medicaid program will fall short of the goal to provide access to critical pharmacy services to Texas patients. Indications are that proposed reimbursements for pharmacies to fill prescriptions will be reduced by as much as 90 percent. This is an unsustainably low reimbursement rate, and many pharmacies will necessarily be forced to drop out of the Medicaid program altogether, leading to countless Texans deprived of the access to care they need.

To prevent a reduction in access to pharmacy services, implementation of the changes to Texas' Medicaid program must be reworked to ensure a network of health care providers is available for patients. During the legislative session, my colleagues and I included protections for pharmacy providers and patients in Senate Bill 7. These protections were designed to ensure patient access to quality pharmacy care and maintain an adequate provider network that would meet federal requirements. If HHSC does not work to maintain acceptable provider reimbursements in its Medicaid program, it is possible that the issue could be taken to court, as it has in California.

While California has allowed the Medi-Cal situation to escalate all the way to the nation's highest court, Texas still has the ability to get our Medicaid reform right.

Otherwise, Texas may find itself in an unavoidable battle with the federal government and the courts over Medicaid changes. This would benefit no one, especially those Texans the program is intended to help. Steps must be taken to ensure Texas Medicaid patients maintain maximum access to their community pharmacist. While there is still time, Texas should learn from the lessons of California's Medicaid mess and put patients first. ■

**SEN. MARIO GALLEGOS JR.** (D-Houston) represents District 6 and is a retired firefighter.



## Californians dreaming of Texas in latest evacuation plan

Much like earlier Okies who fled the Oklahoma Dust Bowl, a current wave of Callies are checking out of the Hotel California, where recession has downgraded the Golden State from economic Disneyland to financial Death Valley.

Texas is the promised land for many transplanted Callies. U.S. Census Bureau figures show that more than a million people — and counting — have headed for the Left Coast exits. Census numbers also confirm that their top destination of choice is Texas, where the employment climate is still partly sunny and the mortgage meltdown hasn't frozen so many assets.

The great migration is a Googling matter of debate on the 'Net, where websites crawl with socioeconomic implications of the population shift.

Consumer Callies are enchanted with the economic opportunities. They don't have to mess with a Texas income tax, and a migrant from Silicon Valley can still find work in the energy field.

Sociable Callies experience culture shock. Many have a hard time adjusting to the sea change in lifestyle. They can't make up their minds about Texas: Love it or leave it?

Texans are more ambivalent. Incoming Callies are treated with the same respect as other foreign aliens.

Considering how Callies are overcrowding the city, I think it would behoove Houstonians to be a tad more hospitable and help the refugees feel more welcome.

If you're wondering how to spot one, just listen for a fine whine. The cry of the homesick Callie is a mixed chorus of damns with faint praise and praise with faint damns.

Callies have been known to utter the following list of expressions.

"Dude, I can buy a River Oaks mansion for less than

the price of servants' quarters in a Beverly Hills estate."

"Dude, my earthquake deductible is dirt-cheap, but I'm getting soaked by flood coverage, so my home insurance cost is a wash."

"Dude, when I order a simple venti brulee latte mocha frappuccino espresso machiato decaf Americano, the Starbucks barista manages to screw it up."

"Dude, the hodads are rednecks and the beach bunnies are bummers, but the Gulf breakers get gnarly when there's a hurricane."

"Dude, when I asked for directions to Rodeo Drive I wound up on a trail ride to a livestock show and got bounced from a chili cookoff."

"Dude, the map of Houston celebrity homes is smaller than a postage stamp, and the guided bus tour takes less than a minute."

"Dude, the guy at the grocery store took off in my Mercedes before I realized he wasn't an attendant. I can't believe Kroger doesn't have valet parking."

"Dude, I don't care if the buffet line is all you can eat. The sushi and sashimi suck at Nippon Corral."

"Dude, job hunting is a real drag. Energy companies take one look at my resume and tell me they need roughnecks, not Best Boys."

I'm running into more displaced Callies down in the dumps these days. Never have I heard so many discouraging words home, home on the range.

But what the heck, I say, if you can't beat 'em, join 'em. The next Callie I meet is in for a treat. I'll stick out my hand and say, "Howdy Dude, the next round of venti brulee latte mocha frappuccino espresso machiato decaf Americanos is on me." ■

#### BULL MARKET

#### BILL SCHADEWALD



**BILL SCHADEWALD** is former editor of Houston Business Journal and a freelance writer.