

## Medicaid Health Plans Advocate for Legislation Expanding Managed Care in Pennsylvania

The managed care organizations (MCOs) that provide medical coverage for more than a million Pennsylvanians who are on Medicaid continue their support for legislation in Harrisburg that would expand the use of managed care through the state's HealthChoices Program. Managed care has provided high quality care for the poor, and saved billions in taxpayer dollars over the past ten years, according to a recent report from the Lewin Group.

The full House, and Senate Public Health and Welfare Committee, approved the legislation, HB 2699 (PN 4366), just before lawmakers recessed for the summer. The bill is now before the Senate.

“We ran out of time before summer recess,” explained a spokesman for one of the plans. “But we’ll be back on the issue in the Fall.”

Besides calling for greater use of managed care, the measure requires the Department of Public Welfare to pay actuarially sound rates - amounts that reflect the expected cost of care after consideration of all applicable factors - to managed care organizations and counties that contract with the Commonwealth under the HealthChoices Program in the Department of Public Welfare.

HB 2699:

Mandates Pennsylvania's HealthChoices program in existing HealthChoices zones;  
Expands the program into the rest of the state in future years;  
Requires that actuarially sound rates be paid to the MCOs which provide services through HealthChoices.