

The Quorum Report

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FEDS RECEPTIVE TO TEXAS MEDICAID INSURANCE PROPOSAL

Waiver is likely as long as it fiscally conforms says federal acting administrator

Kerry Weems, the acting administrator for *Medicare* and *Medicaid*, was in town today to promote electronic health records. He also swung by the *Texas Public Policy Foundation* to discuss *Medicare's* dire financial future.

Buzz Central caught up with Weems at the *Medicare* talk and used the opportunity to ask about states' efforts to obtain waivers to use their *Medicaid* federal allotments for various reasons, such as offering health insurance to more people or to cut the costs of state *Medicaid* programs.

Texas is on the verge of applying for a five-year waiver that would allow the state to create a new pool of currently uninsured Texans who would be eligible for a subsidized basic insurance policy.

Stakeholders here in Texas are wondering if the feds will approve the waiver given the cost-cutting priorities exhibited in the current proposed federal budget.

Weems said today that his agency is inclined to grant waivers as long as the states' requests balance financially. He added that he met with *HHSC* Executive Commissioner **Albert Hawkins** and that they discussed the state's waiver request.

He noted that the waiver request presented by Massachusetts as part of its health insurance mandate included a tax increase. That obviously stands in contrast to *the Bush Administration's* core governing philosophies on taxes and regulation. Yet the waiver request was still approved.

"Our philosophy is that states are great laboratories," he said. "And if they can meet our demands on expenditures ... they should be given great leeway."

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