

AHS AMERICAN HOME SHIELD
The right choice in home warranties.™

DON'T WANT TO FACE THE EXPENSE OF HOME APPLIANCE AND SYSTEM REPAIRS?

WE CAN HELP YOU!

ACT NOW!



Ezra Klein

Economic and Domestic Policy, and Lots of It

About Ezra Klein | On Twitter | Bloggingheads | E-Mail Ezra | Articles | RSS Feed

WONKBOOK

Get Wonkbook delivered to your inbox or mobile device every morning. It's like reading it on the blog, only much more convenient. [Subscribe now.](#)

THINK TANK

- 1 The Government Accounting Office's **primer** on the debt ceiling.
- 2 Morgan Stanley says the question isn't whether governments will default. It's **how they will default.**
- 3 The IMF says **there's no reason any governments should default**, and makes an interesting point on the difference between primary-deficit problems and interest-rate problems.
- 4 Do no-new-taxes pledges reduce spending, too? The evidence **suggests otherwise**, says Brookings' William Gale.
- 5 Robert Frank **makes the case** for taxing more of what we don't want and less of what we do.

MORE BUSINESS NEWS

Your essential source for the latest news on the intersection of Wall Street and Washington.

SEARCH THIS BLOG

Go

SUBSCRIBE

Select ...

MORE ON THE ECONOMY

Political Economy
Politics, politicians, big

Posted at 03:18 PM ET, 08/15/2011

Perrycare 101: Rick Perry's Medicaid record

By *Sarah Kliff*

As a joint state-federal program, Medicaid has long been riddled with tension over who gets to make what decisions. Both parties foot a significant part of the bill, so it's no surprise that each wants a big say in how that money gets spent. The federal government sets certain parameters — particular populations and benefits that every state has to cover — but beyond that, it's an ongoing negotiation with states over what changes they can or cannot make. Most states have about a dozen or so Medicaid waivers, which allow them to try new ideas or cover a new population.

Playing a central role in this debate lately has been Texas Gov. Rick Perry (R), who has not been shy about advocating for greater state flexibility under the Medicaid program.

Last November, Perry gave legs to the idea that states might drop out of the program altogether, [telling](#) Fox News's Greta Van Susteren that he'd "like to see the states be given the opportunity to opt out of the Medicaid program that we are looking at today." As chair of the Republican Governors Association, Perry [petitioned](#) the Obama administration to drop a health-care law provision that requires states to keep all current Medicaid patients on the rolls through 2014.

In the regulatory realm, too, Perry has pursued some ambitious waivers to reshape his state's Medicaid program. In 2008, under the Bush administration, Texas applied for a waiver allowing it to limit the number of beneficiaries and create a comparatively sparse benefits plan, among other changes. This year, Perry signed legislation that compels the state to apply for a Medicaid block grant. The idea is that Texas would accept a capped amount of federal Medicaid funding in return for more flexibility on how to spend this money.

But there's a pretty wide disconnect between what Perry says he would like to change about Medicaid in Texas and what he's been able to accomplish: His biggest reform proposals have hit dead ends under both Democratic and Republican administrations.

The Bush administration rejected Texas's 2008 waiver request. There was "no precedent," an administration official said in explaining the decision, in approving an "annual benefit limit as low as" the Perry administration proposed. Michael Leavitt, the Health and Human Services secretary at the time, recently told the New York Times that all the flexibilities Texas wanted weren't justified by the benefits that enrollees would get in return.

Perry's more recent proposal to opt out of Medicaid was pretty much pulled off the table by Texas Republicans after a state analysis showed that it would cost Texas billions in federal funds.

Likewise, his block-grant proposal will almost certainly be dead on

Post Newsletters & Alerts

Sign-up for e-mail newsletters and alerts and get the news you need delivered directly to your inbox.

- Local Business Alerts
- Ezra Klein's Wonkbook
- Economy & Business News Alerts
- Personal Finance
- Technology News Alerts
- TechNews Daily Report
- Capital Business

Enter your e-mail address

[See all Washington Post Newsletters](#)

Interested in the Gold Market?

Trove is a free news site that finds you the latest information on Gold.



Make sure you're the first to know:
Economy & Business and Technology News Alerts
Sign up for both today

Watchlist

Create and manage your own customized lists of stocks and mutual funds. Your selections will then display within this box each time you return to this page.

You must be logged in to create a watch list.

Network News

[Hide this](#)

- Friends' Activity
- Most Popular
- Twitter Activity

Your Friends' Most Recent Activity

business and the economy

- Perry takes aim at Bernanke
- Asian markets follow U.S. selloffs
- Markets back in the dumps

RECENT POSTS

- Rick Perry, closet Keynesian?
- How will Rick Perry's budget affect education?
- Health reform's \$50 billion question: What's 'affordable'?
- How would Republicans fight for jobs?
- Eight things to know about Rick Perry

Entries By Category

Stories By Date

- Full Monthly Archive

arrival in Washington. President Obama has opposed block-grant financing of Medicaid; his administration fears it could leave states shorthanded and unable to cover vulnerable populations.

So despite the sweeping reforms that Perry has proposed, the Texas Medicaid program remains pretty vanilla. It mostly hews to the federally mandated minimums in terms of what populations it covers, adding on coverage for a few optional populations, including pregnant women and patients in long-term care. Since Perry took office in 2000, Texas has received six waivers to do things that a number of other states are doing, too. For example, it has used multiple waivers to expand Medicaid managed care, mirroring a national trend of moving Medicaid patients into privately run programs to streamline costs and make care more efficient.

Facing budget shortfalls, Texas has relied on cuts to Medicaid provider rates, along with 35 other states. It has also joined 29 other states in looking to control pharmacy costs as another way to rein in the entitlement program's costs.

In the end, Perry's Medicaid record might be less relevant to what the state's program looks like today and more pertinent to what he wants to do in Washington. A President Perry could approve all those flexibilities that he's been unable to gain as governor.

"I see the Perry presidency as one with a theme of returning power to the states," says Arlene Wohlgemuth, who directs health policy for the conservative Texas Public Policy Foundation. "I would expect President Perry to give states that freedom, to continue to show that they can deliver better care for less money."

By Sarah Kliff | 03:18 PM ET, 08/15/2011

Recommend 23

Send 36

Previous: Why Texas has the highest percentage of uninsured people in the U.S.

Next: What's the global dollar worth to us?

Weigh In

About Discussions, Badges Discussion Policy



LOG IN REGISTER + SHARE THIS DEBATE

You are not logged in. You must login or register with the Washington Post to comment or post. If you post before logging in, your comment will be saved while you are guided through the login process.

Type your comment here...

Limit 3000 characters (3000 characters remaining)

Post

Top Comments (7) All Comments (10)

Newest first Oldest first Most Recommended first

Live



Martial wrote:

Watch out for all hat no cattle. Check out what he was doing when our state had the worst budget crisis in its history.

8/15/2011 10:13:55 PM CDT

Recommend

Reply

Report



lauren2010 wrote:

Read my lips. No new texans.

8/15/2011 3:22:59 PM CDT

Recommend Recommended by 5 readers

Reply

Report



Casie Kaluza Wenmohs shared Votes that pushed us into the red - The Washington Post, about 2 weeks ago



Casie Kaluza Wenmohs shared Blue Dog Democrats a dying breed - The Fix - The Washington Post, about 2 weeks ago



Mary Warner Brown shared How to do the right thing in a system that is wrong? - The Answer Sheet - The Washington Post, about 3 weeks ago



Casie Kaluza Wenmohs shared Obama-Boehner talks collapse; each side blames the other, about a month ago



Nancy Benson Druart shared Gang of Six reaction - Right Turn - The Washington Post, about a month ago



Aaron Oststott shared What failure to raise the debt ceiling will look like - Ezra Klein - The Washington Post, about a month ago



Casie Kaluza Wenmohs shared More employers using firms that check applicants' social media history, about a month ago

Facebook social plugin

Follow The Post:

View More Activity

World Markets from

	Americas	Asia	Europe	Middle East
	Index	Status	Last	Today's Change
DOW JONES INDUS. AVG	open	11,369.41	-113.49	-0.99%
S&P 500 INDEX	open	1,189.80	-14.69	-1.22%
NASDAQ COMPOSITE INDEX	open	2,517.78	-37.42	-1.46%

Behind the government showdown
Get the latest news and updates on the government's budget battle.
Sign up for our email newsletter

Other Market Data from

	Commodities	Currencies	Bonds
	Future / Expiration	USD / Unit	Today's Chg
Light Sweet Crude	Sep11	87.34 USD/Bbl.	0.61%
Natural Gas	Sep11	3.94 USD/MMBtu	2.11%
Gold	Dec11	1,780.50 USD/T Oz.	1.28%
Corn	Dec11	723.50 USD/Bu.	0.49%
Soybeans	Nov11	1,352.75 USD/Bu.	0.11%

Key Rates from

	Local Rates	National Rates
		Avg Rate DC 1 Wk Prior
\$10K Money Market Account	0.64%	0.62%
\$30K Home Equity Loan	5.39%	5.39%
1 Year CD	0.87%	0.86%
15Yr Fixed Mortgage	3.43%	3.49%
30Yr Fixed Mortgage	4.27%	4.34%

Data Provided By Bankrate.com

On Slate.com



Ethan Allen Was the Founding Father of Vermont and Kind...

A biography of Ethan Allen puts the spotlight on land greed.



The Republican Businessman Who Wants All Candidates To...

A Republican businessman wants all candidates to agree to attend a two-day business...



richzubaty wrote:

ha ha ha ha

8/15/2011 3:28:21 PM CDT

Recommend

Report



bird52 wrote:

Folks, we have the winner!

Bumper stickers and t-shirts for everyone!

8/15/2011 9:38:36 PM CDT

Recommend

Report

Write reply here...



richzubaty wrote:

Thank you. And in reference to the "jobs" mythology: Three years after finally seeing the backside of another right wing nut fundamentalist Christian former Texas governor, whose presidency gave us two wars, two recessions, and a Wall Street bailout, and pundits are ruminating about what Perry should do? Perry should go grow tomatoes just like all those pundits, and contribute something meaningful to the human family. Perry has "created jobs" by stealing companies from other states by having the lowest wages and least health care in the nation. What would he do as president? Bring the US average wage down to \$4000 a year so we can steal jobs from China? There is nothing behind this man besides ideology and sound bites and he doesn't have a chance of beating Obama which, as a furious leftist, is precisely what I want to see. A Republican back in office, and a million protesters on the streets of Washington DC.

8/15/2011 2:48:14 PM CDT

Recommend Recommended by 5 readers

Reply

Report



bendoverpls wrote:

You're right. The U.S. must keep its labor costs so high that we continue to drive manufacturing overseas.

Today 8/16/2011 9:17:47 AM CDT

Recommend

Report

Write reply here...



lauren2010 wrote:

Ok good info, but who created more jobs in texas since jan 2009, obama or perry?

8/15/2011 2:36:47 PM CDT

Recommend

Reply

Report



LuvDCArea wrote:

Oil.

8/15/2011 6:01:24 PM CDT

Recommend Recommended by 1 reader

Report



BigBend123 wrote:

Since Jan 09 ? Obama. \$20 billion federal stimulus to TX state budget, plus military spending.

8/15/2011 10:34:34 PM CDT

Recommend

Report



jjorsi wrote:

Don't forget the Texas size budget deficit the Lt. Gov is dealing with (Perry's brain)!

8/15/2011 10:56:42 PM CDT

Recommend

Report

Write reply here...



Five Great Magazine Articles About Quarterbacks
From pre-draft jitters to post-retirement bliss, five glimpses into the minds of NFL...

[More at Slate.com](#)

Sponsored Links

Hot Stock Pick - ACTN

Business is booming for this Chinese infrastructure steel supplier
www.HotChineseStocks.com

2550% Penny Stock Gains?

Our last pick jumped 2550% - Join our newsletter for Free Stock Picks!
www.PennyStocksExpert.com

Invest in Gold Today

Diversify your investment portfolio with Gold and Silver. Get a Free Investor Kit.
GoldSavingsOfAmerica.com

[Buy a link here](#)

Top Jobs

- **Business Jobs**
- **Computer Jobs**
- **Construction Jobs**
- **Education Jobs**
- **Engineering Jobs**
- **Healthcare Jobs**
- **Legal Jobs**
- **Management Jobs**
- **Media Jobs**
- **Non-Profit Jobs**
- **Sales Jobs**
- **Science Jobs**

Keyword

Location

PROVIDED BY [SimplyHired](#)

Featured Advertiser Links

Oil Spill, Mesothelioma Class Action, Fosamax Fracture, Asbestos & Veterans , Actos Bladder Cancer

Topamax Side Effects, Mesothelioma Treatment, Yaz Blood Clot, Asbestos cancer, Actos, Mesothelioma Symptoms

Join Pres. Obama. It's time to do it again.

Looking to buy a home? Visit TWP Real Estate section for the latest open houses.

Make Your Vanguard Investing More Profitable - Free Research Report Reveals Best & Worst Funds

Post blogs

- 44
- [The Daily Dose](#)
- [Economy Watch](#)
- [Solutions](#)
- [All We Can Eat](#)
- [The Fix](#)
- [The Hearing](#)
- [White House Watch](#)

Blog roll

- [The American Scene](#)
- [Baseline Scenario](#)
- [Economix](#)
- [Justin Fox](#)
- [Marginal Revolution](#)
- [Matthew Yglesias](#)
- [Paul Krugman](#)
- [Rortybomb](#)
- [Spencer Ackerman](#)
- [Steve Benen](#)
- [Taxvox](#)
- [The Treatment](#)
- [Atrios](#)
- [Brad DeLong](#)
- [Felix Salmon](#)
- [Kevin Drum](#)
- [Mark Thoma](#)
- [Megan McArdle](#)
- [Real Time Economics](#)
- [Ryan Avent](#)
- [The Stash](#)
- [Tapped](#)
- [Tom Laskawy](#)
- [The Vine](#)

Sponsored Links**Hot Stock Pick - ACTN**

Business is booming for this Chinese infrastructure steel supplier
www.HotChineseStocks.com

2550% Penny Stock Gains?

Our last pick jumped 2550% - Join our newsletter for Free Stock Picks!
www.PennyStocksExpert.com

Invest in Gold Today

Diversify your investment portfolio with Gold and Silver. Get a Free Investor...
GoldSavingsofAmerica.com

[Buy a link here](#)

[RSS Feed](#)

[Subscribe to The Post](#)

© 2011 The Washington Post Company

Ways you can get us

Mobile
Newsletter & alerts
Post Store
Photo Store
Washington Post Live

Apps
RSS
Facebook
Twitter

The Washington Post

About Us
Work for us
Community Relations
PostPoints
Corrections/Suggestions
Archive
Contact the Ombudsman
Report a problem

Web site

[Make us your homepage](#)

Newspaper

[Subscribe](#)
[Home delivery service](#)
[e-Replica](#)
[Reprints](#)

Advertise

[In the newspaper](#)
[On the web site](#)
[Mobile](#)
[Events](#)

The Washington Post Company

[Post Company web sites](#)

Partners