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Flying Blind; Paying Billions

Medicaid costs American taxpayers more than Medicare. Federal dollars are transferred to states as federal matching funds, but the federal government is flying blind, In 2017, federal payments to Medicaid health plans were half of all Medicaid payments. In 2016, to add accountability, the federal government said states must collect and report patient data that shows the use of medical services so payments can be audited, but no parameters were given.

Now the government's accountability office says the federal government should also set parameters for when matching funds will be disallowed. Considering how lucrative Medicaid has become for health plans, and because of the vast expansion of Medicaid under Obamacare, this is a worthy recommendation.

“Medicaid Managed Care: Additional CMS Actions Needed to Help Ensure Data Reliability,” GAO-19-10, U.S. Government Accountability Office, October 19, 2018 (released 11/19/18): https://www.gao.gov/products/GAO-19-10?utm_campaign=usgao_email&utm_content=daybook&utm_medium=email&utm_source=govdelivery

FACT: “According to a [CMS report](#) released January 19, 2017, total Medicaid spending increased to \$576 billion in fiscal 2016. The federal portion increased by 4.5 percent to \$363 billion, holding steady at 63 percent of total Medicaid.” - **“National Health Expenditures and Federal Funding of Medicaid,”** Gregory R. Zinser, MiraMed, Spring 2017: <http://www.miramedgs.com/web/57-focus/past-issues/spring-2017/665-national-health-expenditures-and-federal-funding-of-medicaid>

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