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It Could Work

Writers in the Wall Street Journal argue that Medicaid can be fixed with block grants, in which the federal government gives a federal grant to each state and lets them decide how to use the money. It could work. In 2009, Minnesota Governor Tim Pawlenty shocked the health care establishment.

Despite naysayers, he vetoed a Minnesota-only Medicaid-type program. Then he gave certain hospitals a much more limited pot of money and told them that’s all they’d get to care for the people in the program he’d just vetoed. They managed to make it work. Patients were cared for – some with charity care -- and the state saved millions of dollars. It’s time to try block grants.