



# Capitol Briefs

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## Do You Carry Any Insurance?

One of the nation's largest employers, Wal-Mart does not provide insurance to many of its employees. In an era where health insurance premiums are on the rise, premiums are a significant cost to doing business. Offering health insurance to their employees would increase the cost of doing business and increase prices.



As an example of the impact that Wal-Mart has, in Georgia there are more than 10,000 Wal-Mart employees on Medicaid. That's 14 times the number of the next highest employer.

States are not taking this laying down, however. In Maryland, the legislature recently passed a law that companies with more than 10,000 employees must spend 8% of their payroll on health care or contribute to the state's Medicaid program. While never mentioning Wal-Mart by name, there's only one employer in Maryland big enough to fall under this legislation- Wal-Mart. New Jersey Assemblyman Louis Greenwald plans to introduce legislation similar to that passed in Maryland: "When you look at Wal-Mart, and you see that

half... their employees nationally are forced into health coverage from government or spouses' plans, or live entirely without health insurance, that tells you there is a problem."

In Virginia, Governor Mark Warner believes the Medicaid problems stem from federal responsibilities shifting to the states, the elderly transferring assets to qualify for Medicaid and business no longer offering benefits to employees. He believes that it is a global problem that needs to include Wal-Mart into the solution.

## Prescription Drug Site Is Up and Running

The Michigan Department of Community Health (MDCH) has put a link from their website, [www.michigan.gov/mdch](http://www.michigan.gov/mdch) up to show consumers the prices for the 25 most commonly prescribed drugs.

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The prices are for a one-month supply. The site also offers links to the three most commonly used discount plans for prescription drugs.



More information on the new website is available at [www.michigan.gov/mdch](http://www.michigan.gov/mdch) or in the June 2005 "The Consumer Connection" newsletter.

### **New Bill Lets the Taxes Slide... For a Little While**

Senator Nancy Cassis' Senate Bill 347 has made it through the Michigan House of Representatives. The bill would let those 62 or older, paraplegic or quadriplegic, widow or widower, an eligible serviceperson, veteran, blind or someone permanently and totally disabled to defer the due date of their summer taxes until February 15 of the next year. People who meet the eligibility requirement would also have to meet the income requirement- the gross household income must not be more than \$37,500 in 2006 and \$40,000 in 2007.

### **Auditor Finds the Overbilling**

The Michigan Auditor General's Office found two instances of over billing in reviewing the bookkeeping of the Attorney General's Office.



In the Attorney General's Child Support Enforcement program, which is a sub recipient of Department of Human Services (DHS), the department reported expenditures totaling \$1,853,953. They documented \$1,840,767. The amount they documented was \$13,186 less than what they claimed.

The Auditor General recommends they keep their expenditures in line with their claims. The other finding is that when employees were on terminal leave, they sent the payments directly to the State Medicaid Fraud Control Units Program, without receiving prior approval. The Auditor General recommends for that issue that the Department ask the federal agency first, before charging the payments to federal programs.

### **Utah's Medicaid System-Will it Spread?**

In Utah, Medicaid has been shifted from a comprehensive program available to the very lowest of income, to a more sparse system which now includes a bigger base of people previously uninsured.



More people are insured, but the system does not cover what some would call basics of insurance- no specialty doctors, in-patient hospitalization, long-term care service, mental health services or rehabilitation.

There is a silver lining for those who need specialty care while in the hospital, a list of doctors willing to do specialty work for free, if the patient is still hospitalized.

The system also employs co-pays, most notably \$220 for non-emergency hospitalization. The governor at the time called it "a tough one".

Charity is a part of the plan. Not only with doctors performing work for free, but the homogeneous population and the massive influence of the Mormon Church in Utah are big factors in the insurance for its citizens.

The most interesting part of this new system is that it passed under Utah Governor Michael Leavitt, who is now the secretary of the U.S. Department of Health and Human Services. Given the recent tightening up of federal Medicaid policies, one has to wonder whether the rest of the country is in store for some Utah-style Medicaid.

### **The Feds Crack Down: Food or Drugs**

**L**ow-income seniors, who could not previously afford prescription-drugs, can look forward to the government's new Medicare reform. But now on the chopping block will be food stamps. The Bush administration feels that with additional income previously tied up for drugs, food stamps will not be as necessary and therefore will be cut.

For more information, check out June 2005's "The Consumer Connection" newsletter.

### **Kids Count Finds Out**

**T**he data for the Right Start Michigan has been released. It appears that children born in the more densely populated areas start life with a disadvantage. Communities with 30,000 people or more had a greater chance of non-marital births, mothers without a high school education and births to teens who are already parents.



Differences in race and ethnicity were also apparent in the report. Non-Hispanic whites have the best birth rate in almost every category. African-American babies were born smaller or sooner than other children, but they were also less likely to receive prenatal care. While Hispanic mothers were less than half as likely to smoke during pregnancy, they were also

only 50% likely to have a high school education.

Although all races and ethnicities experienced decreasing teen births and smoking during pregnancy, the number of low birthweight babies is on the rise.

A copy of the full report is available at <http://www.milhs.org/information/default.asp?>