
OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM

TO: GOVERNOR
FROM: SMITH
SUBJECT: FYI-CONSULTANT'S REPORT RE: MEDICAID
DATE: 8/13/02
CC: KINNEY, MAYO, RENICK

Governor, we discussed this information this am and I wanted to make sure everyone knows where we are since it is such a critical issue. **I have also provided clarification regarding the PLAD eligibility category below.**

I got a phone call from Mary Patterson yesterday afternoon about the meetings they have been having with the consultant reviewing the Division of Medicaid. She said that she suspects the PEER Committee and the Legislator's are going to wish that they had hired someone else to do the review.

Their meetings have followed the same conversation that we had with Peter last week, Bill. Specifically, that the Medicaid administrative staff is doing an excellent job and that apparently this legislature has never met a category of eligible's that they didn't love. He also said that we have a Cadillac program regarding the PLAD optional eligibility category and indicated that this would be included in their final report. The optional group is between 100%FPL- 135% FPL.

By eliminating this optional category, i.e., the 56,573 people that fall between 100%-135% of the FPL, the state could save \$45.9 million. Most of the people in this category would actually qualify for other eligibility categories and programs, but 6,449 people would not qualify for any other coverage.

I briefed the Governor about our meeting and told him that Mary Patterson said that the final report would come to her first. She wanted to let the Governor know that she will read it very carefully and give us a head's up if there are any "rotten eggs". She thinks that the consultant will brief the PEER committee on the first Wednesday of September.

If anyone has questions, please let me know.

