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Health Care Providers Ask OHCA Board to Reject Medicaid Cuts

The Oklahoma Hospital Association (OHA) will ask the state's Medicaid agency to delay any action on a proposed 6 percent cut to health care provider rates at a meeting to be held this afternoon. The OHA has expressed deep concerns about potential cuts and their effect on Oklahoma's overall health.

OHA President Craig Jones says the effect of \$150 million in cumulative Medicaid cuts since 2010 have made Oklahomans sicker. "Budget cuts come with real costs to real Oklahomans: we give birth to more unhealthy babies; we suffer from chronic and preventable diseases; we live shorter lives," says Jones.

Hospitals, nursing homes and physicians had been assured by legislative leaders, as well as Gov. Fallin, that cuts were unnecessary. Gov. Fallin recently vetoed part of a budget deal, but acted to fund agencies that support health, mental health and social services. As the governor said in her release, the veto was constructed to "avoid immediate health and human services cuts."

Despite those assurances, and despite other agencies (including the Department of Human Services and the Department of Mental Health and Substance Abuse Services) acting to prevent immediate cuts, the OHCA has indicated a rate cut for Medicaid providers will begin Jan. 1.

"That is not in line with what our lawmakers or the governor promised the health care community," stated Jones. "The OHCA board should delay at this time any action to reduce provider rates and give the Legislature time to make good on their stated positions. Acting now is certainly not good for elderly, sick, low-income or other vulnerable Oklahomans who rely on Medicaid."

Jones says he is supportive of the OHCA, the governor and other lawmakers who are interested in long-term budget fixes. However, some hospitals and rural health care providers are fighting for survival and cannot sustain a budget cut of any kind. "Once a rate cut goes into effect, operational cutbacks are almost immediate, and will result in further gaps in an already fragile health care infrastructure. Once these cutbacks are made, they are difficult to restore," says Jones.

"Our organization and our members will emphatically support budget reforms and measures to raise revenues that provide long-term stability for OHCA and restore the hundreds of millions of dollars in state and federal funding lost since 2010," Jones will say to the OHCA. "In the meantime, we ask that the Board take no action that could permanently damage Oklahoma's health care infrastructure and we call upon our elected officials to solve this problem as soon as possible."

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The Oklahoma Hospital Association is the voice of hospitals in Oklahoma. Established in 1919, the OHA represents more than 130 hospitals and health systems across the state. OHA's primary objective is to promote the health and welfare of all Oklahomans by leading and assisting its member organizations in providing high quality, safe and valued health care services to their communities.