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NEWS from U.S. Senator Bob Dole

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WEDNESDAY, JUNE 22, 1977   SHIELA BURKE

DOLE AMENDMENT WOULD SAVE 20 STATES $142 MILLION LOSS IN MEDICAID PAYMENTS

WASHINGTON, D.C. -- The Senate Finance Committee this morning approved Senator Bob Dole's amendment that would prevent the loss of $142 million in matching Medicaid payments to twenty states -- loss to Kansas would total $1.8 million. Dole's proposal would delay action on HEW's June 8 announcement that it would reduce Medicaid payments to certain states because of non-compliance with statuatory requirements for independent medical review of Medicaid patients.

Dole said that while there is no question of the need for patient reviews, "I am concerned about the severity of the reductions in terms of state budgetary difficulties balanced against the need to assure that federal funds are expended only for patients receiving proper care in an appropriate setting. Unfortunately, the present law does not differentiate between significant and minor non-compliance. For instance, in my own State of Kansas, only 13 out of 385 facilities were not reviewed on time, in New Jersey, 2 out of 431, and in Colorado, 11 out of 181 -- while other states had far higher percentages of non-compliance."

The Kansas Senator said his amendment -- which would merely prevent any reduction in federal matching payments due to non-compliance in the quarters beginning April 1 and Jul· \ -- "will allow us the time to consider all possible options for altering the statue permanently, without penalizing the states in the interim." The House Interstate and Foreign Commerce Committee is currently considering legislation that would alter the compliance statutes, and the Senate Finance Committee is expected to consider it in July.

The bill to which Dole attached his amendment -- H.R.1404, a minor tariff bill -- should be considered by the full Senate within the next 10 days.

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