

Illinois governor signs bills approving savage Medicaid cuts

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Last Thursday, Illinois Democratic Governor Pat Quinn signed into law a series of five bills that will enact draconian cuts to the state's Medicaid program and health care services. These cuts are expected to deprive hundreds of thousands of Illinois residents of Medicaid coverage and restrict access to other much needed health care services.

The new legislation, which includes the removal of \$1.6 billion in funding from Medicaid and the curtailing and outright elimination of several other state health care assistance programs, was personally championed by Quinn, who claimed it was necessary in order to address the state's ongoing budget crisis and to maintain the viability of the state's Medicaid program.

Following the governor's push for deep cuts to health care and social services in his yearly budget address last February, Illinois lawmakers in both chambers of the General Assembly voted overwhelmingly to approve the latest round of austerity measures advocated by Quinn. On May 24, the Illinois House of Representatives voted 94-22 and the Senate 44-13 in favor of SB 2840, entitled "Save Medicare and Resources Together (SMART) Act." Signed into law on June 14 by Governor Quinn, the cuts are slated to go into effect July 1, the beginning of the state's 2013 fiscal year.

Of the total \$1.6 billion in cuts, the bill includes a reduction of \$350 million through the imposition of greater restrictions on eligibility for Medicaid coverage, which is predicted to disqualify hundreds of thousands of Illinois residents from receiving coverage, and the elimination of Medicaid coverage for "optional services" such as dental care, psychotherapy, podiatric and chiropractic services. More than 25,000 working parents are expected to lose Medicaid coverage almost immediately.

In addition to these tighter restrictions on coverage, an additional \$240 million will cut in the form of reduced payment rates to state nursing homes and hospitals, along with \$49.8 million through reducing the number of Illinoisans eligible for the Family Care Program (disqualifying all families with household incomes above 133 percent of the federal poverty level). Another \$72.2 million will be cut by eliminating Illinois Cares Rx, the state program that offers prescription drug discounts to over 180,000 Illinoisans from low-income households who are elderly and/or suffer from disabilities.

Also being slashed is an annual \$15 million that provided critical medical and in-home nursing services to children reliant on ventilators, whose families will now face insurmountable medical costs for full-time hospitalization.

The signing of the SMART Act into law by Quinn will further intensify the dreadful conditions facing millions of working class and poor Illinois residents who are already in economic distress. Of the over 2.7 million Illinois residents currently relying on Medicaid, hundreds of thousands are anticipated to lose Medicaid coverage, with thousands more experiencing the curtailing or elimination of other much needed discounts for medications and assistance for disabilities and mental illness.

The National Alliance on Mental Illness has ranked Illinois as the number one state in the US for budget cuts to mental health services for 2011, with the state having eliminated 31 percent of its total budget since 2008. Including Quinn's latest proposal for an additional 40 percent in cuts from state mental health programs, which includes shutting down six of the state's twelve remaining mental health facilities, Illinois will have cut over 71 percent of its funding for

mental health services and programs over the past five years.

Quinn has claimed that restricting access to Medicaid is in actuality a “reform” that increased the soundness of the program by combating Illinois residents who were allegedly qualifying for Medicaid through “fraudulent” means.

Last month Quinn argued that if the proposed austerity measures were not driven through by the end of the month—the close of the state legislature’s spring session—the Illinois Medicaid program would effectively collapse under the state’s ongoing budget crisis.

The rationale put forward by once-liberal politicians such as Quinn more and more openly attempts to justify extreme social inequality. While the wealth of the richest Illinois residents—including its 18 billionaires—could cover the state’s deficit several times over, and corporate profits are on the upswing, funding for the basic needs of the broad masses is starved and the working class is marginalized by policies reflecting the interests of the financial elite.



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