

# The Boston Globe

## Healthcare groups push for federal bailout funds

By Kay Lazar, Globe Staff | January 2, 2009

With a leafleting, lobbying, and letter-writing blitz, healthcare groups are urging Governor Deval Patrick to use expected federal bailout money to shore up health programs slashed this fall because of the state's budget crisis.

A coalition of three dozen social service, healthcare, labor, and legal groups - dubbed Put Patients First - is mailing 100,000 Boston area voters a flier about the specific effect of recent cuts to Boston Medical Center and Cambridge Health Alliance. The two institutions serve a large share of the region's low-income residents and, hospital officials say, are suffering from disproportionate state budget cuts.

The hospitals' troubles are just one example of how patient care will suffer from cuts, past and future, to the state's Medicaid budget, which funds health programs for children, the low-income, and the elderly, the coalition warns.

The jockeying for a share of the federal stimulus package, expected soon after President-elect Barack Obama takes office Jan. 20, comes as the recession tightens its grip on Massachusetts and Patrick prepares up to \$1 billion in additional state budget cuts.

It also comes as Patrick is hinting that he may shift some funds the state previously earmarked for Medicaid programs to other ailing areas of the state budget - if, as hoped, Massachusetts receives additional Medicaid money in the federal package. At a press briefing this week, Patrick signaled the possibility that stimulus funds could free up state Medicaid money that could then be used elsewhere.

"We can displace that money for other needs," Patrick said to reporters during a Tuesday news briefing, after he explained the gist of discussions with federal officials about Medicaid.

"So then you could spend that money on something else in the budget to preserve other programs?" a reporter asked.

"Correct," the governor said.

An administration spokeswoman later said nothing definitive has been decided.

"At this point, it's premature to speculate about a stimulus package, how much support Massachusetts might receive, and how we might use those funds," Jennifer Kritz, spokeswoman for the Executive Office of Health and Human Services, said in an e-mailed statement. "We are awaiting details about a stimulus package, including [the Medicaid portion]. Until we know the details, it's simply too early to say."

Using earmarked Medicaid money in the stimulus package to justify transferring similar amounts of state Medicaid money to other uses would, coalition members say, mean little or no net increase to restore earlier cuts to health programs. That includes cuts to struggling community health centers, which depend heavily on state financing. Many centers are seeing an increasing number of patients who have lost jobs and their employer-paid health insurance, they said.

"Healthcare centers are reporting the impact of the cuts is forcing them to look at cutting core services, such as interpreters and front-line staff that make sure patients are being enrolled in health insurance they are eligible for," said coalition organizer Mike Fadel, who is executive director of 1199SEIU United Healthcare Workers East, a union that represents many community health center and hospital workers.

"At the end of the day, the governor is facing tough choices and too often the Medicaid budget has been looked at in a knee-jerk fashion as a large piece of the state's budget that could be cut," Fadel said. "As the economic crisis is taking its toll, this is not the moment to fray the safety net."

In addition to mass mailings and phone calls to the governor, the Put Patients First coalition is planning a State House rally on Jan. 15, five days before Obama takes office.

Cutbacks to healthcare, among the state's largest industries, could produce a "ripple effect, extending to nursing agencies, equipment suppliers, and other businesses that support hospitals," the Massachusetts Hospital Association warned in a recent letter to the governor. The letter noted there are 479,000 healthcare and social service jobs in Massachusetts.

Joe Kirkpatrick, the association's vice president for healthcare finance, said patients, particularly those with mental illnesses, will feel the effects of continued hospital cutbacks.

"Hospitals look at mental health because hospitals already take a loss in delivering this care and, if they are going to survive, that's where a lot of the cutbacks are going to occur. It's the less profitable areas that tend to get cut," he said. "And it's those behavioral problems that increase in times of recession."