



News Release

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JMI RELEASES NEW MEDICAID STUDY

TALLAHASSEE - In his "State of the State" address this year Gov. Jeb Bush declared, "We must transform Medicaid if we are to save it for the people who need it. There is no source of revenue that will grow as fast as our Medicaid costs."

State officials worrying about Medicaid's soaring costs aren't the only ones concerned about the program. Evidence suggests that the patients who rely on Medicaid and the physicians who treat them are equally dissatisfied.

An expert on this approach, Michael T. Bond, Ph.D. has studied Florida's Medicaid program and has compiled his findings in a new study, *Reforming Florida's Medicaid Program with Consumer Choice and Competition*. His recommendations include:

- Creating an Insurance and Provider Exchange or "health mart" where various packages of services would be offered by competing providers."
- Soliciting sealed bids from potential providers
- Selecting services that are consistent with the budget
- Serving as a powerful market force by leveraging buying power against attempts to either raise prices or lessen service quality
- Empowering beneficiaries of long-term care and care for the disabled to pay providers directly
- Empowering beneficiaries to join employer-provided plans

Bond is professor of finance at Cleveland State University and is the Senior Fellow in Health Care Policy at the Buckeye Institute in Ohio. He is also a Senior Fellow in Health Policy at The James Madison Institute in Tallahassee and an Adjunct Fellow at The South Carolina Policy Council in Columbia.

To request a printed copy of *Reforming Florida's Medicaid Program With Consumer Choice and Competition* contact Matt Warner at (850) 383-4633 (toll free 1-866-340-3131) or matt@jamesmadison.org. For an electronic version of the report visit www.jamesmadison.org.

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