

Dear Healthy Policy Oversight Committee,

Please seriously consider the following points concerning Iowa's current Medicaid issue:

1. Currently and for the past several years, the Iowa Medicaid program has been run efficiently and compassionately. It certainly doesn't send up a red flag for change. Medicaid in Iowa spends less per person than the majority of other states while still providing comprehensive coverage.

2. It appears that this is not a popular idea in Iowa. A recent poll found only 22% of Iowans favor the move. Doctors, hospitals, advocates for the poor, and many lawmakers have expressed concerns.

3. The four winning bidders of potential government contracts to operate the program do not have stellar backgrounds. They have performed poorly in other states. As the *Des Moines Register* noted in the September 20, 2015, article titled "Serious Errors Plague Medicaid Companies", "...more than 1,500 individual regulatory sanctions resulting in more than \$10.2 million in fines have been imposed against the four companies in the past five years...". The companies were cited for problems such as canceled appointments, privacy breaches, untimely processing, and lack of informed consent. In addition, "Some of the companies have been fined repeatedly for the same problems."

4. An administrative judge recently advised that Well Care, one of the companies awarded a contract, should be removed from the list of providers because of improprieties that took place during the bidding process and information which was withheld from the company's bid.

5. Estimates indicate that privatizing Iowa's Medicaid program will increase administrative costs as much as 300%. Also, many studies indicate the private market is more expensive than Medicaid. That means fewer services provided to Iowa citizens who need those services the most.

6. Finally and most importantly, many parents and guardians of those currently using Medicaid in the state of Iowa have been unable to secure providers of any kind for their children and those they are caretakers of. This is a huge red flag before the system is even implemented.

Moving in a hasty manner to privatize Iowa's Medicaid program is unnecessary and will cause a great deal of stress and lack of care for those so in need of essential health care services.

I strongly recommend the privatization of Iowa's Medicaid program be extended or more preferably stopped before many Iowans must suffer the consequences.

Thank you for your time and serious consideration in this important matter.

Sincerely,
Michelle Richardson
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