



Contact: Tanja Clendinen  
tanja@jamesmadison.org  
(850) 383-4633

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## **Unchecked Growth and Low Quality Care** *JMI releases white paper on reforming Medicaid in Florida*

**TALLAHASSEE** – Created to provide health care for the poor, Medicaid is growing at a fiscally unsustainable rate while delivering episodic treatment, poor preventative care, and low quality services to many of its clients. If the current growth rate were to continue unchecked, **by 2025 Medicaid would consume over one third of the state budget.**

“Any economic product and/or service where buyers have no incentive to economize and the sellers have no incentive to be efficient will face ever escalating costs.” --**Dr. Michael Bond, JMI Senior Fellow and Senior Lecturer at the Eller College of Management, University of Arizona**

Dr. Bond analyzes the fundamental flaws in the national Medicaid model, describes the resultant problems with access, quality, cost and fraud, and offers suggestions for improving Florida’s program in a newly released Backgrounder, **“Reforming Medicaid in Florida.”**

One key component: continuing and expanding Florida’s 4-year-old reform demonstration for which initial results are encouraging based on an **analysis conducted by the University of Florida**. The reform has increased competition among health plans, reduced co-pays, and expanded and diversified patient benefits. Preliminary evidence also suggests that these improvements have reduced costs and led to improved beneficiary health.

“Medicaid reform will provide improved health outcomes for beneficiaries while at the same time reducing the unsustainable fiscal stress on the state budget. It is imperative that our leaders and policy makers continue pursuing the market-based reforms that have already improved the quality of life for low income Floridians.” --**J. Robert McClure III, JMI President and CEO**

All JMI publications are available on-line at [www.jamesmadison.org](http://www.jamesmadison.org). To comment or request a copy, contact Tanja Clendinen at 850.383.4633 (toll free 1.866.340.3131) or [Tanja@jamesmadison.org](mailto:Tanja@jamesmadison.org).