

Oklahoma State Senate

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Rob Standridge
DISTRICT 15

Majority Whip

Chairman
Transportation Committee
Committees
Health and Human Services
Energy
Subcommittee HHS

August 17, 2020

Mr. Kevin Corbett
CEO – OHCA
4345 N. Lincoln Blvd.
Oklahoma City, OK 73105

Dear Director Corbett,

I am writing this letter to let you know that after many years of study on this issue of capitated managed care, both within Oklahoma and around the country, I would advise you not to move forward with this plan.

The legislature, as well as practically every healthcare professional in the state, has consistently opposed outsourcing our Medicaid system to insurance companies because its supposed cost saving measures severely degrades the quality of care for our citizens on Medicaid. Not only did we see this in Oklahoma the last time this was attempted, resulting in multiple lawsuits, but even today in our neighboring states that have gone down this path. The results in managed care states have often been tragic. In Texas there have been many news stories laying out the problems with their move to capitated managed care, including an 8-part expose, *Pain & Profit* in the *Dallas Morning News*. Likewise in Kansas, many advocates for the vulnerable communities have expressed their frustration, some of which have been in the news, and the federal government discontinued their capitated managed care program at one time calling it a danger to those it was supposed to care for.

With regards to the costs of this program, Oklahoma, one of the least expensive Medicaid states in the nation and easily in the top five, has spent a little over \$6,000 per recipient per year over the last five years. Whereas, in neighboring states where they outsource their Medicaid systems to these massive insurance companies, the costs continue to go up and up. In fact, if we were to adopt either of the financial models of the two neighboring states previously mentioned, Texas or Kansas, you will need to increase taxes on hard working Oklahoma taxpayers by 2 to 3 BILLION DOLLARS.

I find this irresponsible and uncaring of both our most fragile citizens that will be left with a Medicaid system far inferior than the one they have today, and our Oklahoma taxpayers. A massive increase in taxes, just so we can be like other states that seem to value the profits of large insurance companies over the hard-earned money of our constituents, is inexplicable and unjustified. In my eight years in the Senate, not one constituent has complained about Sooner Care and physicians in my district sing its praises. I beg you to reconsider bringing managed care into our great state. I am happy to visit with you about my in-depth analysis of managed care programs around the country.

Sincerely,

A handwritten signature in black ink that reads "Rob Standridge".

Rob Standridge

cc: Governor Kevin Stitt