



# Alabama Medicaid Agency

501 Dexter Avenue  
P.O. Box 5624  
Montgomery, Alabama 36103-5624  
www.medicaid.alabama.gov  
e-mail: almedicaid@medicaid.alabama.gov



ROBERT BENTLEY  
Governor

Telecommunication for the Deaf: 1-800-253-0799  
334-242-5000 1-800-362-1504

STEPHANIE MCGEE AZAR  
Commissioner

## Alabama Medicaid to end enhanced payments to primary care physicians

Contact: Robin Rawls  
[robin.rawls@medicaid.alabama.gov](mailto:robin.rawls@medicaid.alabama.gov)  
(334) 353-9363

July 6, 2016

### FOR IMMEDIATE RELEASE

MONTGOMERY -- Due to the lack of adequate funding appropriated by the Alabama Legislature during the 2016 Regular Session, the Alabama Medicaid Agency will be making its first major cut by discontinuing enhanced payments to primary care physicians on August 1. The enhanced payments increased the amount paid for certain primary care visits and services to a higher Medicare payment level.

“This is a difficult, but necessary cut due to the budget crisis the Medicaid Agency is facing at this time,” said Commissioner Stephanie Azar.

Governor Robert Bentley had asked for \$785 million from the General Fund to continue the existing Medicaid program in the fiscal year starting October 1, 2016, while moving forward with the Agency’s transformation initiative. The Legislature appropriated \$700 million to the Agency from the General Fund and later overrode the governor’s veto of the \$1.8 billion budget.

The payment cuts are expected to save \$14.7 million in state dollars for the Agency. The payments, popularly known as the “bump,” were originally required – and funded – by the Affordable Care Act between January 2013 and December 2014. The Agency extended those payments in 2015 in conjunction with its plans to implement major Medicaid program reforms.

Pediatricians, family physicians, internists and certain other qualifying practitioners were eligible to receive the enhanced payments which increased the amount paid for certain primary care visits and services to the higher Medicare payment level. This group will now receive payments based on the fee schedule in place prior to 2013.

- # -