



Supporting State Governments

Nelson Sabatini has coped with a lot of health problems. As a former secretary of health for the state of Maryland, Sabatini has helped ensure the well-being of 5 million people. He served in the position under two governors, one a Democrat and one a Republican.

One of the toughest health issues he ever tackled, Sabatini said, was the rapidly rising cost of Medicaid. He believes the solution lies with companies like Amerigroup.

“Medicaid is probably the most serious problem that both the states and the federal government have today,” Sabatini said. “I am convinced that managed care is going to be the thing that will change this program and possibly make it sustainable.”

Sabatini believes that the Amerigroup approach to health care coverage for people enrolled in Medicaid can simultaneously accomplish two things that appear contradictory: it can help individuals lead healthier lives, and at the same time, it can save taxpayers money.

“I saw Amerigroup as a company that improved access to high-quality care for poor people and also controlled the growth in costs,” he said.

Sabatini said that Amerigroup and other public-sector health care companies attack one of the most basic health care problems facing low-income people – getting access to physicians and other health care services – by assembling large groups of conveniently located health care providers who agree to serve people enrolled in Medicaid.

Under traditional Medicaid, low-income people must find the right doctor or type of health care they need on their own. In the Amerigroup model, the Company assembles networks of physicians, assesses individual health care needs, and encourages members to participate in a variety of programs that prevent them from getting sick and helps keep chronic illnesses under control.

“Amerigroup moved into a part of the state where access to health care had been limited,” Sabatini said. “They made sure that the underserved population, in both rural areas and the inner city, had access to care that I don’t believe they would have had under the traditional (Medicaid) program.”

Sabatini said that “by maintaining health rather than just treating illness,” Amerigroup and other



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for the state of Maryland**

public-sector health care companies change the way that state government health care dollars are used and bring down overall health care costs. He praised this approach as “a more disciplined use of the health care system and health care resources.”

Sabatini believes state governments are only beginning to tap the capabilities that public-sector health care companies bring to Medicaid. The biggest challenge, he said, is changing the way that people with complex, long-term physical and psychological disabilities get health care.

“The next important step for any state is to expand programs for the disabled, the chronically ill and the frail elderly,” Sabatini said. “That’s the opportunity we must take advantage of.”

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