

THE UTAH HEALTH POLICY PROJECT  
**HEALTH MATTERS**

*on the Hill...*



**Utah Health Matters E-Newsletter: Final Legislative Session Edition**  
**March 7, 2008**

Greetings Health Advocates:

What a session! Thanks to your efforts and persistence, policymakers took major steps forward in building a better health care system in Utah.

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1. [HB 133 Health System Reform, sets stage for health system reform in Utah](#)

While we were all busy this session, the real work starts today. HB133, Health System Reform, passed both the House and the Senate and will undoubtedly be signed with great ceremony by the Governor. This bill is our main vehicle for health system reform in Utah. Now all stakeholders, including advocates, consumers (meaning everyone), the business community, providers, insurance companies and of course legislators and the Governor's staff, need to begin the difficult task of figuring out what will work in Utah to not only contain health care costs and increase quality, but ensure that all Utahns have access to medically necessary health care services. By working together and building on our collective strengths, we know we will get great results.

HB133 in its final form directs the Department of Health, Insurance Department, Department of Workforce Services, Governor's Office of Economic Development and a Legislative Committee to work together on the development and implementation of a strategic plan for health system reform which includes:

- Creating the office of Consumer Health Insurance Services to:

- facilitate the purchase of insurance,
- create an internet-based health insurance application process,
- facilitate the collection of premiums from multiple sources, and
- assist employers establish mechanisms for employees to use pre-tax dollars for the purchase of health insurance,
- Applying for Medicaid/CHIP waivers from the federal government (a “waiver” is a proposal to use current Medicaid or CHIP dollars in a different way to get better results with respect to coverage and access);
- Creating a uniform insurance application that will be used statewide,
- Developing one or more new insurance products,
- Studying potential sources to fund health reform, benefit packages, cost saving innovations, best practices, tort reform, rating and issue practices of health insurers, wellness initiatives, individual mandates and its enforcement.

The bill also:

- Increases the eligibility levels for individuals qualifying for the state’s Comprehensive Health Insurance Pool (making it harder for an insurer to deem an individual high risk and therefore uninsurable),
- Changes the Utah Premium Partnership (UPP) Program eligibility requirements,
- Requires employers to adopt mechanisms to allow employees to use pre-tax dollars to purchase health insurance,
- Directs the state to give preference to companies bidding to provide services to the state to those who offer insurance benefits to their employees,
- Appropriates \$ to the Department of Health for health care cost and quality data collection, analysis and distribution and for the development of health information electronic exchange standards, and to the Office of Legislative Research and General Counsel to fund professional and actuarial services.

Lastly, the bill creates a legislative task force responsible for ensuring that a viable plan for health system reform is developed.

**Next Steps:** UHPP will be hard at work ensuring that the task force and all other parties have good research and information during the process. We will need your help to make sure that legislators understand the needs and desires of our communities. One of the most effective ways to do this is by telling your story. If you have a story you would like to tell please contact Stacey at [stacey@healthpolicyproject.org](mailto:stacey@healthpolicyproject.org) or 801-433-2299.

Stay tuned for more information on opportunities to be involved in reforming Utah’s health system.

**2. HB 131 passes & receives \$175,000. Grants will be available for community-based organizations to help enroll Utahns in Medicaid, CHIP & Utah Premium Partnership (UPP) and teach how to make effective use of benefits.**

Funded with \$175,000 in 1-time funds (much better than using the Medicaid Restricted Account!) HB131 is one of the most critical steps we have taken *this Session* to move forward on the Governor’s (and Rep. Clark’s) laudable goals for reform: to optimize current programs and tools like UPP to cover the low-income uninsured. Please take a moment to congratulate Rep. Jen Seelig for her remarkable leadership in passing this bill and to learn from her example. She reached across the aisle (both Houses) to form

an unusual alliance of champions for this innovative approach to targeting the high-risk uninsured. The following legislators were critical to ultimate success on HB131: Rep. John Dougall, Rep. David Litvack, Rep. Becky Lockhart, Sen. Curt Bramble, President Valentine, others. Partners in the Multicultural Health Network must also be congratulated for their eloquent participation in hearings and outstanding organizing and advocacy on behalf of HB131.

Now it will be important for MHN to get involved in the implementation of this exciting new initiative. This topic will be covered (and celebrated) at the next policy committee meeting of MHN:

When: This Tuesday March 11<sup>th</sup> 9:15-10:30 AM

Where: 2<sup>nd</sup> floor conference room, SL City Library

RSVP: to Isabel Rojas [isabel@cuutah.org](mailto:isabel@cuutah.org) (801) 898-3923 so we have enough space!

Once we get into the reform process (HB133), it won't take long to realize that for health system reforms to be effective, you have to bring everyone into the system.

Now, most Utahns prefer to get their coverage in the private market—which is fine. There's a problem: we've had this premium assistance program (UPP): and no one is aware of it. We just can't fill the slots! We all want everyone in the private market, but the very tool that makes it possible to *be* in the private market, no one knows about it.

This is where the mini-grants come in...

- The minigrants will get the word out about UPP and how it works in the shift towards individual responsibility for obtaining coverage and care. Minigrants are the best way to reach our busy uninsured workers, especially high-risk groups, so that they can participate in the private market with the help of a premium subsidy.

For those without an affordable offer of coverage at the workplace...

- The minigrants will optimize our utilization of cost effective programs like Medicaid and CHIP: Given the generous Federal match (3 to 1 for Medicaid and 4 to 1 for CHIP), by optimizing *these* programs and focusing our limited resources on UPP we will get a handle on rising costs.
- The minigrants bill is a proven, practical way to accomplish this while teaching the target population how to become responsible and effective health care consumers. This aspect, in our view, is what was most attractive to legislators and why the bill passed the House with unanimous support. This feature would also make Utah unique in its approach to minigrants. To be competitive for the grants, community-based organizations should be able to demonstrate how they will, in fact, teach the target population how to make effective and timely use of benefits and services.
- Utah has among the lowest enrollment in Medicaid and CHIP in the nation. Communities of color, refugees, tribal members, and rural folks are especially under-enrolled. The minigrants will help to close these gaps.

**3. HB 364 passes: UPP, CHIP & Medicaid will be more effectively promoted in Utah Schools, UPP receive a promotional budget**

HB 364 passed all the way through the process. This important legislation does three important things:

1. HB 364 provides a marketing budget for the Utah Premium Partnership Program (UPP). The UPP program is a cornerstone of health reform in Utah. It is the mechanism that will allow low income Utah families afford private health coverage. However, the program is currently unknown. A recent Health Department study found that 88% of Utahns were unaware of UPP. This must change. HB 364 provides \$60,000 to increase awareness and promote the UPP program.
2. HB 364 changes how the UPP program operates by doing away with open enrollment restrictions by making UPP qualification a life event. This will allow an UPP eligible individual or family to enroll in an employer sponsored health plan at anytime. This will make UPP easier to market and increase utilization.
3. Lastly, UPP requires the state to develop a plan to market UPP, CHIP & Medicaid to families within Utah schools. We know that schools are single best place to find families who are eligible for these programs. Unfortunately, we have traditionally done a poor job of providing information about these programs within our schools. HB 364 will ensure that Utah takes advantage of these opportunities.

**Next Steps:** Over the next year the State School Board, Department of Workforce Services and Department of Health must develop a plan to promote UPP, CHIP & Medicaid. The UHPP will work hard to ensure that this collaboration occurs and a robust plan of actions results.

#### **4. Medicaid Dental has been funded for FY2009**

The legislature has funded Medicaid Dental services for the aged, blind, and disabled population with \$2 million from the Medicaid Restricted Account. We are thankful that the legislature has not taken a step backwards and ensured that dental services for this population are continued for another year. Unfortunately, this account is the “rainy day account” for Medicaid. The Utah Health Policy Project believes that it is questionable policy to dip into this account in a year that the state realized its third largest budget surplus in history. However, it would be an even graver mistake not to fund these services at all.

In addition, once again the legislature neglected to provide dental services to the low-income parents enrolled in Medicaid. This population is unable to purchase dental services on their own. In the end, their inability to receive preventive dental care harms these individuals ability to find jobs and become self sufficient. It also costs the system more because lack of basic preventive dental care leads to higher medical costs in the future.

We thank the legislature for providing funding for dental services. In future years, however, we urge the state to find a more sustainable funding source that will allow us to provide dental services to the entire Medicaid population.

## 5. Medicaid Vision services restored

This session the Utah legislature gave the Department of Health the ability to provide Medicaid Vision services using money from the Department's base budget. This will allow Utah to begin to offer eyewear to Medicaid beneficiaries immediately. The Utah Health Policy Project applauds the legislature for giving the department authority to do this. However, we are worried that without additional money, vision services will once again be in danger if there is an economic downturn and more Utahns must turn to Medicaid for health coverage.

Similar to Dental we must work to provide sustainable funding for this important service.

## 6. [UHPP Health Bill Tracker](#)

[UHPP's Health Bill Tracker](#) consolidates information on important health bills that were considered this session. Click [here](#) to see the tracker.

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