



Health Matters E-Newsletter

April 24, 2009

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1. UHP Honors Bill Orton

The Utah Health Policy Project staff and Board mourn the tragic loss of former Congressman Bill Orton, one of our longest serving Board members.

Bill's impact on our issues (and so many other critical matters) will be felt for generations to come.

Our thoughts and prayers are with his wife Jacquie and sons Will and Wes.



2. National Update: The Outlines for Health Reform

The national health reform debate is beginning to take shape! The Senate has outlined an aggressive schedule in order to accomplish comprehensive health reform this year. This week the [Senate Finance Committee](#) held the first of a series of hearings discussing major aspects of reform. Discussion around each topic will be spread over two weeks, starting with a roundtable comprised of committee members (including our very own Senator Hatch) and key experts. These roundtables will be open to the public and will be followed in the next week by a closed session 'walk through' wherein Senators will start narrowing policy choices. *Mark-up* (negotiation of details) of actual legislation will take place in June.

Hearing Topics

Delivery System Reform

Coverage

Financing and Revenue

Roundtable

4/21* (watch the hearing [here](#))

Read the written testimony [here](#)

5/5

5/14

Walk Through

4/29

5/12

5/20

The principal goal of delivery system reform is to make sure that doctors have access to the latest research that compares clinical and cost effectiveness of different types of treatments. This will help doctors and patients choose the best treatments and make informed choices rather than waste money on less effective treatments.

Suggestions for how to achieve these laudable goals include:

- Aligning treatment and financing decisions with evidence-based medicine—not an easy task!;
- Guaranteeing access to medical homes for all in part by...
 - Addressing the shortage of primary care providers.
 - Emphasizing prevention and providing incentives to take personal responsibility for one's health and health care.
- Building upon good models already in use in regions across the country

In other news--the Senate Finance Committee voted on the nomination of [Kathleen Sebelius](#) as HHS Secretary. Her nomination received committee approval, though Senator Hatch voted no. (Read his statement [here](#)). Working on a parallel track with the Finance Committee, the [Senate HELP committee](#) (Hatch is a member and Sen. Ted Kennedy is Chair) held its first hearing April 23rd on "Ways to Reduce the Cost of Health Insurance for Employers, Employees and their Families."

Finally, the [NY Times](#) reported today that the federal budget will now include provisions that would allow health care reform legislation to be approved by a simple Senate majority (51 votes) instead of the filibuster-proof 60 votes. Republicans and Senator Hatch have loudly protested over using this procedural loop-hole (called budget reconciliation) to pass legislation as important as health reform. We could not agree more: For reforms to be truly successful, they must be bi-partisan. The majority party certainly has the option to use the budget reconciliation process as a looming threat; nonetheless, but we must not lose sight of the goal: to avoid reconciliation and bring both sides of the aisle together around solving our nation's health care crisis. Utah's senators and Congressman bring important values and principles to the discussion, for example...

- The need for robust cost management strategies;
- the need to create a culture of coverage and personal responsibility so that all Americans have what they need to seek health care at the right time and place;
- the need to make coverage truly affordable, which will make an individual mandate less necessary—or less painful.

Our senators and Congressman Matheson are open to real reform this year: now it is up to us to keep their eyes on the prize: affordable, financially sustainable, quality coverage for every American.

Already, we are hearing rhetoric asserting that we cannot tackle comprehensive reform this year. In an editorial last week, [the Washington Post](#) argued that we should tackle Social Security reform before health care. This is reminiscent of the Clinton presidency, when welfare reform took precedence over health reform. By the time health reform came up for debate, the White House had no more political capital to spend. The Heritage Foundation is also arguing that any cost-containment savings should be targeted to lowering the deficit and not towards the down-payments necessary to undertake comprehensive reforms. However, we would argue that the road to cost containment leads through coverage for all, not around it (for further elaboration on this point, see the Commonwealth Fund's seminal [Bending the Curve](#) report). Given the fact that since the 1980s the number of uninsured has increased along with costs and quite a bit faster than in other countries, the evidence suggests that you cannot address the pillars of reform of reforms in silos—you can't achieve cost containment and maximum efficiencies without expanding coverage (and vice versa).

What You Can Do NOW: Sign Petition & Then Call Senators & Congressman And Urge Them to Support Comprehensive Health Reform This Year

[Click here](#) to sign a petition supporting comprehensive national health reform this year! Then, take just 5 minutes to call our Congressional Delegation (phone numbers and suggested messages below).

These elected officials need to hear from you again and again that you want them to support comprehensive health

system reform this year—enough is enough! AND our economic recovery depends on it. Utah’s senators have shown intense interest in health care issues over many years, and both see a need for comprehensive reform, though with certain preferences for private market solutions and fiscal sustainability. As Utah’s lone blue-dog Democrat, Congressman Matheson will be another swing vote.

Here are a couple of suggested messages:

“It’s not right that hard-working American families are struggling to afford health care. We shouldn’t have to choose between filling a prescription or filling up at the gas station. Our leaders need to make health care more affordable for everyone before our costs rise even higher. Please support meaningful health system reform this year.”

“We need solutions that work for families and small businesses alike. Repairing our broken health care system can help us cut costs, without limiting our choices or control over where we get care. We can cut the unnecessary paperwork that keeps our doctors from spending enough quality time with patients. And we can modernize our system to let doctors do a better job of coordinating our care and keeping us healthy. I ask that you support meaningful health system reform this year.”

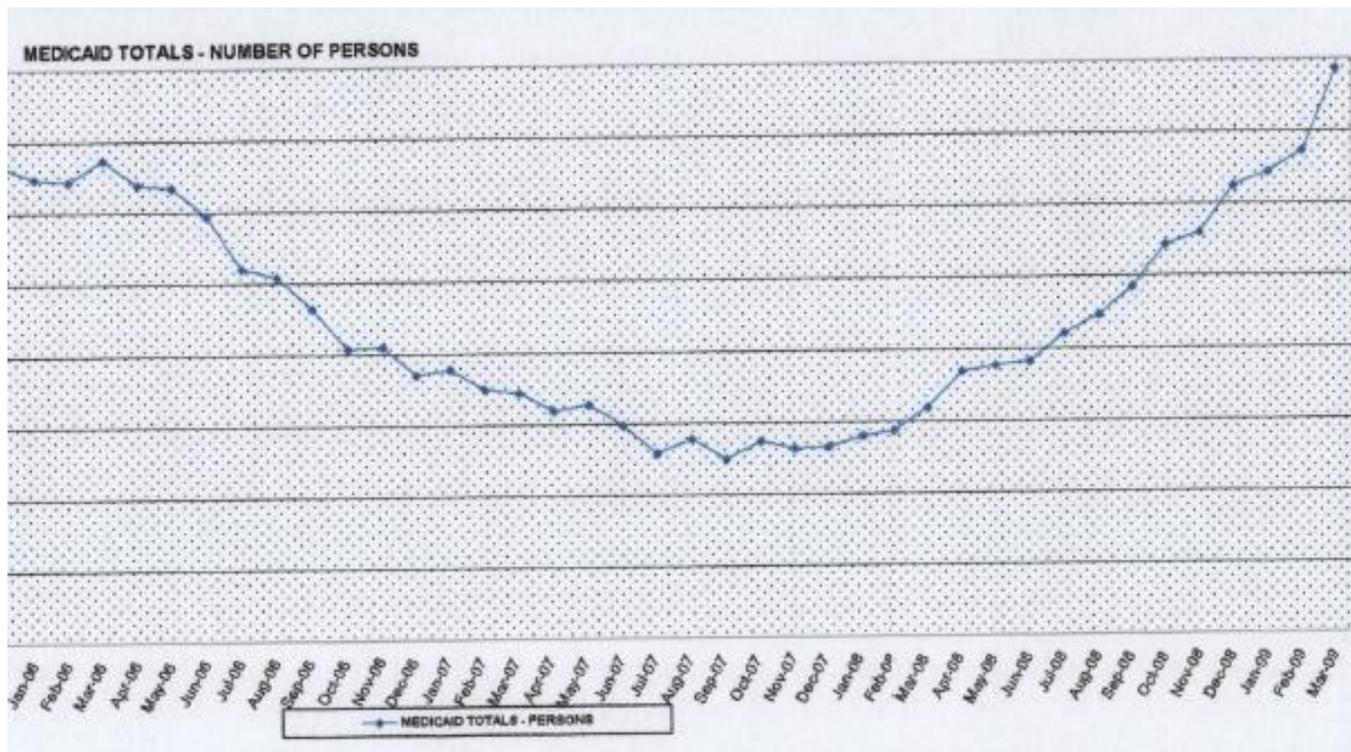
For small business owners (our congressional delegation needs to hear from you most of all)...

“They say it’s up to me to create (or support) the jobs that will lead the way to economic recovery, but I SIMPLY CANNOT DO THIS without relief from rising health care costs. I would like to provide affordable health care coverage to my employees, but I can’t if I want to compete with large chains/grow my business, etc.

Senator Orrin Hatch	(202) 224-5251 (801) 524-4380	Email
Senator Bob Bennett	(202) 224-5444 (801) 524-5933	Email
Congressman Jim Matheson	(202) 225-3011 (801) 486-1236	Email

3. Utah Experiences Record Medicaid Enrollment Growth

In March, Utah Medicaid added 5,695 Utahns to its rolls, and most of these new enrollees (3,854) were children. This was by far the largest single month growth in the program in recent history. However, while alarming, this growth shows that *Medicaid is doing its job.*



Demand for Medicaid is countercyclical, which means that demand naturally goes up when the economy (and state revenues to pay for enrollment growth) goes down. When economic times are good and jobs are plentiful, more Utah breadwinners are able to afford health coverage for their families. However, over the last year the state's economy has been anything but good. Utah has lost 32,000 jobs and unemployment has grown by nearly 2%. It is Medicaid's job to help these families get back on their feet by providing for their health care coverage.

While it is heartening to see Medicaid doing its job, this growth does present challenges to the state. This growth, comes at great cost to the state just as revenues fall to all-time low. Unfortunately, the Utah legislature did not budget for any *additional* Medicaid growth for FY2009 or FY2010. The American Recovery and Reinvestment Act (ARRA), which passed Congress in March, provides states with extra funding for Medicaid so they can better handle increased demand for public programs due to the recession and rising unemployment. But at Utah's current rate of Medicaid growth, the ARRA will most likely *not* provide sufficient federal funds to cover the increased need. This means the state must add state dollars to the mix—and no later than this summer's Special Session. Where should the funding come from? Some combination of...

- the state's \$414 million rainy day fund;
- a revenue enhancement such as a tobacco tax increase;
- or, as a last resort, cuts elsewhere in the state's budget;

We'll be following the budget situation closely as we approach the Special Session. In the meantime be on the lookout for tools and talking points to educate policymakers on the need to fully fund Medicaid during hard times.

4. Proposed CHIP Benefit Changes To Satisfy New Mental Health Parity Requirement

The Children's Health Insurance Program Reauthorization Act (CHIPRA) that passed Congress in February requires mental health parity in state CHIP programs. Utah's current CHIP program falls short of complying with this new federal requirement: the CHIP mental health benefit has higher co-pays for services and, unlike the physical health benefit, limits the number of hospital inpatient mental health days a beneficiary may have.

To comply with CHIPRA and maintain budget neutrality, a necessity given the state's budget situation, Utah has three options:

- First, because CHIPRA only requires states to have parity for mental health if they offer a mental health benefit, the state can simply eliminate CHIP mental health services (this option is not being strongly considered by the state);
- Second, Utah can create parity between mental and physical health services by reducing mental health co-pays, eliminating the mental health hospital stay cap; to maintain budget neutrality, the state can also introduce a deductible in CHIP's drug benefit plan;
- Third, to avoid a drug benefit deductible, the state can raise co-pays on physical health services to current mental service co-pay levels.

The Department of Health is strongly considering the latter two options (though these too will have consequences) and will be making a decision in the next several weeks. We will be covering this important topic in the May 6th Monthly Meeting—details below. If you would like to comment on the proposed changes, please contact Nate Checketts at nchecketts@utah.gov or call (801) 538-6043.

5. Monthly Meeting with Departments of Health and Workforce Services, May 6, 1-4pm

The next Monthly Meeting with the Departments of Health and Workforce Services will be on May 6th from 1 to 4pm at the Department Health Cannon Office Building, Room 125. If unable to attend in person, you can call in at 1-800-350-0593.

This meeting is **for the community** to provide feedback to the Department of Health (DOH) and the Department of Workforce Services (DWS) regarding their programs and services; it is also for the Departments to provide information to the community about changes under consideration. While the agenda has not been finalized, a few likely agenda items include:

- [New CHIPRA guidance from CMS](#) (Centers for Medicare and Medicaid Services) to state health departments (see [Guidance](#));
- Question and answer with DOH regarding CHIP benefit changes to satisfy new mental health parity requirements;
- Q & A with DOH regarding the Department's education and outreach efforts surrounding new changes with the Medicaid Preferred Drug List;

In ongoing efforts to address the concerns of the community, the Utah Health Policy Project and the Community Action Partnership of Utah will soon be sending out a survey that will allow community members to suggest topics for future meetings. In the meantime, if you have a topic for discussion, please contact Lincoln Nehring (health issues) at lincoln@healthpolicyproject.org or Melissa Smith (DWS issues) at melissa@utahcap.org.

6. Become a fan of UHPP on Facebook or follow us on Twitter!

UHPP is now on [Facebook](#) and [Twitter](#)! We are excited to expand our online presence and increase our ability to pass along real-time info and updates to you! Click on the links above to find us on Facebook and Twitter. You will first be prompted to create a new account or to log-in before you can see our site.

Why should you become of a fan of UHPP on Facebook or follow us on Twitter? You can:

- See links to the blogs and news articles we are reading to follow national and state reforms
- Know when we publish a new factsheet or add another story to our storybank
- Let your friends and networks know that you care about health care policy
- Give us feedback and suggestions
- See photos of our recent events
- And much, much more!
-

7. New and Noteworthy

These days we are finding so many interesting publications and other resources that we thought we would pass along some of them to you. For example...

- [When Coverage Fails: Causes and Remedies for Inadequate Health Insurance](#) by Community Catalyst
- [Health Insurance: A Brief History of Reform Efforts in the U.S](#) by Kaiser Family Foundation
- [Building on a Solid Foundation: Medicaid's Role in a Reformed Health Care System](#) by Georgetown's Center for Children and Families
- [Increasing the Medicaid Program's Efficiency and Effectiveness: The Role of Medicaid Program Management](#) by Georgetown's Center for Children and Families

Health system reforms are on fire at the national level, and this is everywhere in evidence across the blogosphere. To follow the debates more closely, you might consider following any of these blogs from across the political spectrum (*listing the blogs does not imply any endorsement of the views expressed therein*):

Health Policy/Reform Blogs Worth a Look

- [New America Foundation](#): follow the musings of Len Nichols here. If you choose 1, choose this.
- [Health Affairs' blog](#): from the best in peer-reviewed journal literature on health policy
- [Say Ahhh: Children's Health Policy Blog from Georgetown U](#): fresh insights focused on covering all kids as a first step in reform
- [Health Beat](#): you never know what you'll find here
- [Heritage Foundation's Foundry](#): a worthy contributor to the debate
- [Health Care Policy and Marketplace Review](#): for the inner wonk
- [Health Wonk Review](#): a compendium of blogs!
- [Kaiser Daily Health Policy Report](#): Don't miss a thing, not even at state level!
- [Medicaid FrontPage](#): A gold mine of information on this critical program
- [The Health Care Blog](#): very comprehensive, for wonks with lots of free time, strong focus on quality and cost containment

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