

# THE UTAH HEALTH POLICY PROJECT

## HEALTH MATTERS

Utah *Health Matters* E-Newsletter Update

May 25, 2007

Hello Health Advocates!

**In this issue...**

- [1. Health & Human Services take on Coverage & the Uninsured](#)
- [2. CHIP Update: The Federal Front](#)
- [3. CHIP Is a Wise Investment, Families USA Study Shows](#)
- [4. May Medical Care Advisory Committee Meeting Recap & Next Steps](#)
- [5. Save the Date: Utah Business Group on Health meets June 15 @ noon](#)
- [6. Health Action Calendar](#)

### **1. Health & Human Services Committee take on Health Coverage and the Uninsured**

With the presidential campaign season heating up and health care costs running to double digit rates, it's no surprise that the HHS Interim Committee took on the health care crisis as their first order of business at last week's interim session. What is remarkable is that almost all the presenters (and legislators) agreed that the health care system is broken, that fundamental changes are needed. Where proposals differ is in how far they are willing to go to control costs, share risk appropriately, and improve quality.

It's a new day for health reform in Utah, and this is certainly something to celebrate. We can count at least 7 high-profile solution seeking entities that are working feverishly on the next epoch-making solution. Unfortunately, few, if any, of these entities are soliciting the input of those directly impacted by the health care crisis (uninsured, under-insured, small business owners, parents of uninsured children, not even the so-called 'young immortals'). This is sad because it's the consumer who will have to live with whatever solution carries the day.

Issues like cost sharing and benefit design are critical to the success of the final reform package. Without consumer input on these and other factors, the final package may not work for them. Already in Massachusetts small businesses are choosing to pay the \$290 fine instead of selecting a plan through the *Connector*. If we want consumers to make prudent use of preventive services, they will need to accept their share of the cost.

The UHPP will do all we can to make the solution seeking process accessible to the general public, including the uninsured, under-insured, and small business owners. The attached *Health Reform Scorecard* is first draft comparison of the different health reform proposals and the extent to which they address each of the UHPP's *Six Principles for Health Reform*. Over the next few months and as proposal content becomes available, we will fill out the details in the Scorecard. The point of this tool is to provide an up-to-date overview of the proposed solutions.

**PLEASE LET US KNOW HOW WE CAN MAKE THIS TOOL MORE USEFUL** . Just send email to [janida@healthpolicyproject.org](mailto:janida@healthpolicyproject.org) (please join me also in welcoming Janida, a full time summer intern from Carnegie Mellon University)

The Utah Health Policy Project will also be conducting Town Hall Meetings focused on health care reform all over the state. These meetings will feature presentations on the Utah Health Cooperative along with a Q & A session. We will also organize panel discussions featuring different proposals for health reform.

## **2. CHIP Update: The Federal Front**

Congress continues to debate the future of the Children's Health Insurance Plan. The current CHIP program is set to expire on September 30, 2007, and Congress must reauthorize it in order for this program to continue to help thousands of Utah families. The big hurdle is finding sufficient money to reauthorize CHIP in a way that will help states cover all their uninsured children. Earlier this year the Senate, as part of the fiscal year 2008 budget debate, went on record to say that CHIP reauthorization would be a top priority this year and they would try to provide \$50 billion over five years for CHIP. That amount would maintain coverage for the 6 million children currently enrolled in the program, while providing states the resources they need to reach out to 3 million more eligible but un-enrolled children over the next 5 years and 6 million over 10 years.

A bill offered by Rockefeller, Snowe, and Kennedy is currently the most promising reauthorization legislation that would allow Congress to live up to its \$50 billion budget promise. The legislation would allow states to expand coverage to pregnant women, uninsured children up to 300% of the poverty line and legal immigrant children. To enroll more children in the program, states would be encouraged to use financial information gathered from WIC, school lunch, and other means-tested programs to identify CHIP and Medicaid enrollees. The bill would also reward states that meet certain outreach and enrollment goals with an enhanced match rate.

In the last few months Senator Hatch and Senator Kennedy have been developing guiding principles for CHIP reauthorization. We need Senator to announce what those principles are commit to them. During the Congressional Memorial Day Recess please call Senator Hatch and ask him to explain the principles and commit to CHIP reauthorization.

## **3. CHIP Is a Wise Investment Study Shows**

According to a report released last week by Families USA, Utah will reap many economic benefits from additional SCHIP and Medicaid spending, above and beyond expanded coverage for children. If SCHIP is reauthorized with the full \$50 billion in additional five-year funding promised in the budget resolution, the \$354.8 million in additional federal dollars injected in Utah's economy will generate:

- \$155.4 million in new business activity (output of goods and services),
- \$57.6 million in new wages, and
- 1,914 new jobs.

Read the Families USA's full report on the benefits of SCHIP in Utah here:

<http://www.familiesusa.org/assets/pdfs/utah-schip.pdf>

## **4. May Medical Care Advisory Committee Meeting Recap**

#### Preferred Drug List:

- The Department of Health (DOH) has received permission from the Sovereign States Drug Consortium to join its multistate (Maine, Vermont, and Iowa) purchasing pool. This will allow the state to increase the savings it realizes from the PDL through greater bulk buying discounts and participation in supplemental rebate agreements with pharmaceutical manufacturers.
- The DOH will hold a public hearing on the proposed rules implementing the PDL in mid-June. Thanks to all of you who signed our request for a public hearing. We must use this opportunity to emphasize the need to maximize the state's potential savings through strong regulation around and strict enforcement of the dispense-as-written requirement. This is also our chance to provide the DOH with input and feedback on effective outreach and education strategies to introduce providers and enrollees to the PDL.

#### Medicaid Vision Services Restoration:

- The Centers for Medicare and Medicaid Services has said that upon preliminary review, the \$10 co-pay attached to the sole-source vision contract is probably not allowable. They are in the process of exploring possible alternative mechanisms. However, the DOH is not hopeful. Assuming that the co-pay is not approved, the DOH has asked the Legislature for guidance as to how it wishes to see the appropriated funds expended. We need to push the Department to expedite the process because, as it stands now, glasses will not be available until several months after the July start of the new fiscal year.

#### Citizenship Documentation:

- The Department of Health and Medical Care Advisory Committee were presented with a letter drafted by the Utah Health Policy Project encouraging the congressional delegation to return Medicaid citizenship verification to a state option. Both the DOH and the MCAC appeared receptive. Medicaid Director Michael Hales expects to have a decision from DOH Executive Director on whether they can sign on to the letter by next week. Time is of the essence as Congress may consider reauthorization of the Children's Health Insurance Program (of which the citizenship verification provision is a part) sometime in June.

#### Mark Your Calendars:

- The Medicaid Policy Partnership meets June at 12:30-2:00 PM at the Developmental Disabilities Council.
- The FY 2008 budget hearing for Medicaid is June 21 from 4-6 p.m. in Room 114 of the Canon Health Building.
- If you're not able to attend the hearing, please submit written comments to MCAC, P.O.

Box 143101, Salt Lake City, UT 84114-3101

**5. Save the Date: Utah Business Group on Health meets June 15 @ noon**

Have a small business? Care about Health Care costs? Interested in what's happening in Health Care reform?

Please come to our Utah Business Group on Health Meeting  
**June 15 @ noon at the United Way.**  
**175 S. West Temple, Suite 30 (Garden Level)**

We will review the Governor's Office of Economic Development's Health Exchange plan, the Utah Health Cooperative, and what they will do for Utah Businesses.

Please RSVP at [Lincoln@healthpolicyproject.org](mailto:Lincoln@healthpolicyproject.org) or call 433-2299

**6. Health Action Calendar**

Happenings in the Health Advocacy World can be found on the Utah Health Policy Project  
**[HEALTH ACTION CALENDAR](#)**

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