Governor’s group reports: how might Utah customize the Affordable Care Act?

Health reform • The Medicaid Expansion Options Community Workgroup will provide a first look at possible paths for Utah.

A full expansion of Utah’s Medicaid program in 2014 is the most cost-effective way to provide more low-income families with health insurance, but the state would pay as much as $106 million over the next 10 years.

A partial expansion — perhaps limited to mental health and substance abuse care — would cover fewer folks and cost the state less, if federal regulators would agree to it.

Those are among proposals being explored by the Medicaid Expansion Options Community Workgroup. The committee will provide a first look at how Utah might put its stamp on the mandates of the Affordable Care Act (ACA) during a 1:30 p.m. meeting Thursday at the Capitol.

“Utah has always been a place where we like to do things in a unique way,” said David Patton, director of the Utah Department of Health and the chair of the community work group. “We want to address the needs of our people and not have others tell us how it should be done.”

Utah is among five states still considering whether to expand Medicaid next year. The decision rests with Gov. Gary Herbert, who in April tasked the work group with drilling into the details and providing Utah with an array of options.

A final report is expected in September, although it’s not clear when Herbert will decide.

Comprised of business leaders, advocates for the poor, medical professionals and state lawmakers, the group is divided into five sub-committees, each with specific themes to consider. Among those are expanding charity care programs to cover more of the uninsured, offering a tax benefit to people buying private insurance (which have been approved for other states) and the use of block grants or compact agreements with other states to bring down the cost of insurance.

The groups have drafted some of their own ideas, considered what changes might be needed in existing care delivery systems and scanned the details of plans proposed in other conservative states. A prime consideration for each group: the financial and social impact each proposal would have on the state.

Under the ACA, most American must get health insurance by 2014 either through public programs or private insurance. The law gives states the option of expanding Medicaid eligibility to draw in more low-income citizens. In states that opt for full expansion, the federal government will pay 100 percent of those costs through 2017. After that, states will pay a share, but the law caps those expenses at 10 percent of overall costs.

Utah’s Republican lawmakers oppose a full Medicaid expansion, which would cover those earnings up to 138 percent of the poverty level — about $32,000 for a family of four — while advocates for the poor and some medical providers favor it.

Working side by side over the details of alternatives in recent months has proved valuable, committee members agree.

“I think it’s been an educational and informational process for me,” said Rep. Jim Dunnigan, R-Taylorsville, who also co-chairs the state’s Health Care Reform Task Force. “Seeing all of these other ideas from educated, well-meaning people has caused me to pause and reflect on what is the best solution for Utah.”

The challenge, Dunnigan notes, is balancing the state’s interests and political leanings against the rules outlined by the federal law.

Any alternative to full expansion proposed by Utah will have to be approved by federal health regulators. That’s if Herbert can sell his choice to state lawmakers first.

“We talk about that at every meeting,” said Dunnigan. “This is what the feds will let us do, and what do our state policy makers want? It’s going to require buy in.”

But that may come easier in the wake of the collaborative process, said Matt Slonaker, Medicaid policy director for the Utah Health Policy Project.

“Frankly, there were a lot of folks that weren’t too interested in delving into this conversation,” said Slonaker. “The work group is incentivizing, or encouraging folks to be thoughtful and have ownership in this process. I think we’ll be able to find some synergies or commonalities and hopefully provide the governor with something that he feels everybody’s agreed on.”

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Questions about health care reform?

Send your questions about the Affordable Care Act to heathreform@sltrib.com.
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