House agrees to join Health Care Compact

SB208 • The measure seeks to join other states in opting out of federal health care, take state control of Medicare, Medicaid.

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The Utah House voted Wednesday to join four other states in a Health Care Compact, seeking to replace federal Medicare and Medicaid programs with state-run care.

The move comes in large part as Utah’s reaction to the federal health reform law pushed by President Barack Obama and passed by Congress in 2010.

“We’re having foisted on us one of the boldest and grandiose medical experiments of all time and many of us are looking on in sheer horror,” said Rep. Brad Daw, R-Orem.

Four states — Texas, Georgia, Louisiana and Oklahoma — have joined the compact and several others are considering it.

“If we don’t begin to act for the social well-being, for the social benefits of our constituents, shame on us,” said Rep. Ken Ivory, R-West Jordan.

But opponents argued that it could cost Utah hundreds of millions of dollars in health care funds and jeopardize health care for the elderly and poor.

“This is not a benign message bill. It will have severe and negative ramifications,” said Rep. Patrice Arent, D-Millcreek.

“What is described as innovative is really an experiment.”

Under SB208, the states participating in the compact would ask Congress to award block grants for federal health programs and let the states run their own systems.

“As we choose to we could enact legislation that would give us more efficient, more streamlined management of our health care,” said Daw.
The bill estimates that Utah receives about $4.1 billion in federal health funding now and would receive up to that amount in the future.

But Judi Hilman, executive director of the Utah Health Policy Project, said that, even if Congress approved a block grant for the full amount, the projections for the growth in funding can't keep up with the demands.

Jason Cooke, a Medicaid research director for the Utah Health Policy Project, said joining the compact would cost the state $350 million in 2014 and another $8 billion from 2014 to 2020.

An amendment added to the bill would require the Health Care Task Force to study the health care needs of the state, the resources available, and the state's ability to meet the health care needs of its citizens before reauthorizing the compact.

"This gives us an easy way out," Hilman said. "Once they study those issues ... I think it will be pretty clear this is not a good deal for Utah."

Because the bill was amended, the Senate has to consider whether to go along with the change for final passage.

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