UTAH HEALTH POLICY PROJECT

508 E South Temple, Suite 45; Salt Lake City, Utah 84102 www.healthpolicyproject.org



NEWS RELEASE

For Immediate Release: February 21, 2012

Press Contacts
Judi Hilman or Jason Cooke
Utah Health Policy Project
Office: (801) 433-2299
Cell (Judi): (801) 870-3887
Cell (Jason): (512) 496-9614
judi@healthpolicyproject.org
jason@healthpolicyproject.org

Revenue Projections Should Give Jump Start to Medicaid Reforms + Wellness Incentives

Salt Lake City – With the announcement today that Utah anticipates \$400 million in new ongoing revenues, the Utah Health Policy Project called on the Utah Legislature to dig deeper into the list of social services spending priorities and fully fund the state's commitment to Medicaid accountable care.

"Today's announcement means the state's leadership has about \$120 million more it can budget for the coming year than was anticipated late last year," said Judi Hilman, UHPP executive director. "The Legislature should invest a small fraction of these new resources in Utah's plan to reduce the growth in Medicaid spending and improve health outcomes."

The December 2011 consensus revenue forecast estimated the state could count on about \$280 million in new revenues going forward.

The 2011 General Session of the Utah Legislature enacted SB180 which provided a blueprint for reforming the state's Medicaid program. Those reforms require investments in state resources to manage for results in a transformed Medicaid system that emphasizes incentives for providers to keep patients healthy and incentives for patients to take charge of their health. "To this end, the Legislature should use the extra revenue to restore Medicaid dental services (\$3 million), audiology (\$150,000), and eyeglasses (\$250,000) for adults," adds Hilman.

"The state's improved revenue picture also creates the opportunity to fund tools that are essential to the success of accountable care in providing better value for Utah taxpayers," said Jason Cooke, director of Medicaid policy and research for UHPP.

The poster child for how accountable care can work is adult dental care," said Cooke. "Investing in exams and other preventive treatment not only avoids costly restorative care like fillings and crowns. It prevents small dental problems from progressing to the point where the patient's physical health is at risk from heart disease, lung disease, and diabetes. When that happens, the cost to Utah increases by leaps and bounds."

Cooke also pointed to the restoration of coverage for eyeglasses and hearing aids as key to helping slow the growth in Medicaid caseloads. "The majority of Utah's enrollees in Medicaid – children, people who are elderly, and many with disabilities – are not candidates for employment as part of Utah's labor market," Cooke said. "But for others, the difference between working and not working will be a pair of eyeglasses or help with hearing impairment. How can these Utahns succeed in a job interview, much less in the workplace, if they have trouble seeing or hearing? For these Utahns, getting health coverage through Medicaid can be a stepping stone to self-sufficiency."