NEWS RELEASE/STATEMENT
For Immediate Release

Today’s Date: July 23, 2009

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Senator Hatch Quits Bipartisan Health Reform Talks, Giving Utah one less voice

Salt Lake City – Yesterday Senator Orrin Hatch decided to quit the delicate negotiation process underway in the Senate Finance Committee. His decision is based on fundamental disagreements with the areas of consensus achieved thus far in the negotiations, including:

- the need for an employer mandate and individual mandate to underpin the reforms;
- a modest Medicaid expansion for those who are not offered coverage in the workplace;
- and a tax increase to finance the significant upfront costs of reform.

“We appreciate the Senator’s honesty in recognizing his limits, and we want to thank him for sticking with the process to this point,” says Judi Hilman, Executive Director of Utah Health Policy Project. “But the truth is, Senator Hatch’s areas of discomfort are with the most basic building blocks of reform.”

“Yes, the financing question is tricky in today’s economy, and this is precisely why reforms must be paid for through shared responsibility. This Congress must figure it out this year, or Utah stands to add an estimated 56,000 to the ranks of the uninsured,” according to Hilman. “Small businesses, too, must have immediate and lasting relief or they will not be able to lead the way to economic recovery” (see UHPP’s recent summary of Small Business Majority’s scientific survey of Utah small businesses and their readiness for true health reforms, including shared responsibility and other building blocks).

“Reforms must bring everyone into the system with decent, comprehensive, and affordable coverage—this is our starting point in achieving cost containment and a more efficient system” explains Elizabeth Garbe, Coverage Initiatives Director of the Utah Health Policy Project. “On the private insurance side, an individual mandate and a basic benefit package is needed to minimize the separation of healthier individuals into some plans and sicker individuals into other plans, which drives up costs. Coverage must be made affordable to bring in enough young people thereby reducing costs for the rest of us.”

“Reforms can emphasize the private insurance market, but there must be a role for public programs in closing the significant coverage gaps for working adults” added Garbe. “The Congressional Budget Office has found it is most cost effective to simply expand Medicaid for those without a reasonable offer of coverage in the workplace—typically those with income less than 100-133% of poverty. This is a modest expansion in the scheme of things, and much of the expense will balance out through other proposed changes, including payment reforms. These are the basic building blocks of any successful reform,” Hilman clarified. “While, Senator Hatch’s concerns around long-term cost containment are altogether valid, the status quo is no longer acceptable. With him out of the ring, we hope he will still contribute to practical problem solving in this area. Without him in the process, it is up to Congressman

Read Senator Hatch’s Statement here.
Matheson and Senator Bennett to argue the case for stronger cost containment while being part of a comprehensive bipartisan solution this year.”