Urquhart believes state should refuse Medicaid expansion

ST. GEORGE — Utah shouldn't comply with at least one initiative in President Barack Obama's health care law, Utah Sen. Steven Urquhart, R-St. George, said Monday, declaring that the Republican-dominated state would be well-positioned to reject federal funds for an expansion of Medicaid.

In its ruling last month, the Supreme Court upheld the Affordable Care Act as constitutional, but voted 7-2 to strike down the part of the law that would have given the federal government the right to strip funding from states that said no to an expansion of Medicaid — the joint federal-state program that provides coverage for the nation's poor and disabled.

"When I saw that the gun was taken away from the heads of state legislatures, I realized we had an opportunity to move away from government-provided health care," Urquhart said, arguing that the court's

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There is the concern that Utahns would end up footing the bill for Medicaid recipients in other states — residents would still pay federal taxes, which in turn would fund health care elsewhere — but Last said it could make a serious difference if a large number of states joined in their refusal to expand the program, possibly halting the expansion everywhere.

Utah is one of 26 states that sued the federal government over the constitutionality of the health care law, indicating that such support could be out there.

"You have to control what you can control, and the one thing we could control here is not taking the money," Last said.
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Written by David DeHurt

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"At some point, I hope and pray the federal government will have some concern about a balanced budget, and when they do they'll look at Medicaid. They have to," he said. "They'll do whatever they can to avoid paying, and they'll just look to the states. They'll cut Medicaid and look to the states to make up the difference."

Judy Hilman, executive director of the Salt Lake City-based Utah Health Policy Project, said that argument doesn't hold water, though, given that there is no evidence the federal government would fail to hold up its end of the bargain. She said Urquhart's prognosis also ignores the potential cost savings and ignores the large number of Utahns who would be left without viable health choices.

The bottom line is that the expansion would reduce the number of uninsured adults in the state by 53 percent, she said.

"For that reduction we're only paying 3.7 percent more in state spending on Medicaid," she said. "It doesn't get better than that. That's the deal of the century."

The move also pumps more money into the state — an estimated $4.1 billion to $4.7 billion between 2014 and 2019, according to estimates from the Kaiser Foundation — and provides coverage for the Utahns who need it most, Hilman said.

"It makes absolutely no sense at all to refuse that expansion," she said.

Rep. Brad Last, R-St. George, said the Medicaid decision could be one area where states have at least some of the deciding power.

"At some point in the states have got to stop complaining about the federal government taking over and just do what they can to get their budgets under control," he said. "And the best thing we can do is just tell the federal government we won't take the money."

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Gov. Gary Herbert has assigned a task force to consider the issue before taking a stance, but Urquhart and other lawmakers argue that Utah should join the growing list of states threatening not to expand the program — a move that might leave certain individuals in the precarious position of being required to buy insurance they can’t afford, but could help states maintain budgets and buck federal control.

Under the proposed expansion, Medicaid could give 139,000 uninsured Utah adults a chance at coverage, and the federal government would foot most of the bill. When the expansion goes into effect in 2014, the federal government would fund all of the expansion costs for the first three years, then gradually lower its contribution to 90 percent after five years.

The problem, Urquhart said, is that with the federal government facing an unprecedented financial crisis, Utah could be left with a ballooning Medicaid bill down the line. Medicaid already has grown from 10 percent of the state’s budget to nearly 20 percent over the past decade, and Urquhart argued that it could create major strain on education and other priorities if it grows even more.