

Utah seeks waiver for Medicaid reform

By Josh Loftin The Associated Press The Denver Post
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SALT LAKE CITY — In an effort to stem the growth of Medicaid, Utah officials have submitted a waiver request to the federal government to allow an increase in co-pays for recipients and a change in the way providers are reimbursed.

The goal of the newly filed waiver request is to shift Medicaid to more of a preventative care system, although critics worry that the increased costs for low-income people on Medicaid will actually discourage regular doctor visits.

A longer-term goal is an overhaul of the Medicaid system, said Dan Liljenquist, a Republican state senator who sponsored the legislative bill requiring the waiver.

The changes could lead to hundreds of millions of dollars in savings for the federal-state government medical program, Liljenquist said.

The waiver would let the state pay providers lump monthly sums for patients instead of the current fee-for-service.

Liljenquist said that would give doctors and hospitals flexibility while discouraging expensive, and sometimes unnecessary, tests or procedures.

Providers would be required to educate Medicaid patients about choosing a primary care physician and going to a hospital within the network, Liljenquist said.

Patients would also be asked to do more. Medicaid co-pays will increase to \$25 for emergency room visits that are not an emergency and \$15 for emergencies, with a \$40 annual deductible per family.

Currently, co-pays are not charged for emergencies and are \$6 for non-emergency visits to the emergency room. There is no deductible now.

The problem with the proposal is that many Medicaid recipients are often on fixed budgets and would not be able to afford the co-pays, said Judi Hillman, executive director of the Utah Health Policy Project.

"You can't have the same expectations for people on Medicaid to pay those kinds of co-pays," she said. "There is often no discretionary income. . . . It becomes self-defeating."

Another concern is that the rules for providers receiving the lump sums are not clear and the accountability measures the state will use are not defined, Hillman said.

Hillman supports the goal of reforming Medicaid but said the waiver is a "rough start that is perhaps counterproductive."

State health officials support the effort, which Utah Department of Health assistant director Gail Rapp said would hopefully "preserve the long-term viability" of Medicaid.

Rapp said the changes would be "barely noticeable" for most recipients because the federal government limits out-of-pocket expenses for Medicaid recipients to 5 percent of their annual income.

In Utah's budget, one out of every five dollars spent goes to Medicaid.