

# Utahns find federal health reform a mixed bag

BY KIRSTEN STEWART THE SALT LAKE TRIBUNE

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Financial incentives didn't figure into Julie Jakob's decision to purchase health coverage for employees of her small advertising firm, Jakob Marketing Partners.

"Half of them are in their twenties. They're not homeowners yet and don't have retirement plans. I feel I need to provide or introduce them to these future planning tools," said the Holladay businesswoman.

But she's grateful for the \$2,000 federal tax credit she's getting this year as thanks — one of several benefits for small business owners bundled into President Barack Obama's signature health overhaul.

The sweeping reform law turns 2 today, which, depending on your political bent, is an occasion for celebration or mourning. The country remains deeply divided over the law with tracking polls showing half for and half against.

And its future is anything but certain. Next week the U.S. Supreme Court hears oral arguments in a legal challenge brought by Utah and other states seeking to overturn the law as unconstitutional.

Even if it's upheld, Republicans in Congress vow to amend it.

"There are pieces worth preserving, but overall it will be disastrous," said Sen. Orrin Hatch, R-Utah, referring to its costs, an estimated \$2.6 trillion over 10 years, and the requirement that people buy insurance.

Hatch hopes the high court doesn't uphold the mandate. "If it does, that means the government can make you do what it wants you to do. I don't care if you're a conservative or a liberal, you've got to be concerned about that," he said. "We'll have to make serious modifications."

For many Utahns, the law is a mixed bag and a source of confusion.

"I've not spent a lot of time analyzing it," admitted Jakob.

Tax credits for small companies that offer health insurance, and pay at least half the premiums, are among the upsides for entrepreneurs. When key provisions kick in during 2014, many Utahns, including the struggling self-employed, will also be eligible for Medicaid. Up to 70 percent of the state's households could get government subsidies to help them afford coverage.

No American, not even those too sick to qualify for coverage now, will be denied health insurance.

But there are no guarantees it will be affordable. Health insurance prices continue to soar, and soon companies with 50 or more workers will pay tax penalties if they don't provide coverage.

Jakob can't say what all this will mean to her bottom line, but is happy to pocket the \$2,000 credit, which she learned about from her insurer, SelectHealth.

"As a small business owner every penny counts," she said. "We offer profit sharing, so every addition is more money into the profit sharing pool."

Even for states, a final accounting is tricky.

Utah will have to come up with an extra \$37 million to expand Medicaid, but will receive three times that in federal funds.

And that doesn't include: \$1 million to beef up Utah's health exchange, an online insurance shopping tool; \$4.3 million to fight unreasonable insurance price hikes; \$8.3 million more in public health funding; and \$10.2 million for community health clinics.

Also, the feds footed an insurance pool to cover people too sick to qualify for private coverage — a whopping \$57 million benefitting Utah patients, insurers and hospitals.

For now, proponents of reform are hyping early provisions that they hope Americans find they can't live without.

The law spared 21,000 Utah seniors on Medicare from falling into the "donut hole," saving them \$12 million on their medicines. Scores avoided co-payments for preventive care, including expensive cancer screenings.

"If that isn't reason enough to celebrate, we don't know what is," said Judi Hilman, executive director of liberal-leaning Utah Health Policy Project.

In addition, insurers can no longer turn away children with pre-existing conditions or impose lifetime caps on coverage. And the law enabled young adults to stay on their parents' health plans longer, keeping them insured during a job shortage.

"Children were among the first to benefit [from the law's provisions] and hundreds of thousands of them have," said Lincoln Nehring, a health policy analyst at Voices for Utah Children. "The Affordable Care Act is about more than health insurance. It's about improving the health of Americans."

kstewart@sltrib.com

Twitter: @kirstendstewart