

**Block Grant/Compact Subgroup Update
June 20, 2013**

Options	Program Features	Pros	Cons	Source of Payment	Plan for People without Coverage
Compact	<ol style="list-style-type: none"> 1. Utah takes control of its Medicaid and Medicare dollars 2. Option requires other states to participate in compact 3. Option requires that Congress approve the compact 4. Congressional approval, compact statutory language, and compact agreements will determine rules of the programs 	<ol style="list-style-type: none"> 1. Allows Utah to combine Medicaid and Medicare funding and allow the State to significantly influence how health care is purchased in Utah 2. Depending on authorizing language, the State may have more flexibility regarding cost sharing, payment methodologies, and benefits than it does today 3. If reform efforts are successful, Utah could reduce the growth in tax dollars going towards health care 	<ol style="list-style-type: none"> 1. Requires Congressional approval but there doesn't appear to be any current interest in approving the existing health care compact 2. Only 7 states have passed health care compact bills, which hasn't created enough momentum to move Congress 3. Utah reviewed compact language last year and decided it was premature to ask for Medicare dollars and that the base rates for the compact funding were likely too low – these issues would require changes in the compact agreements 	To be determined	To be determined
Block Grant	<ol style="list-style-type: none"> 1. Utah receives Medicaid dollars in a lump sum with some reduction in requirements 2. Utah would be responsible for costs above block grant amount 3. Authorizing language would determine how much flexibility Utah would have 	<ol style="list-style-type: none"> 1. Utah can focus on Medicaid without having to include Medicare issues in the discussion 2. May be possible through an 1115 waiver 3. Depending on authorizing language, the State may have more flexibility regarding cost sharing, payment methodologies, and benefits than it does today 	<ol style="list-style-type: none"> 1. Requires federal approval to create block granting authority – Senate and President have not shown interest in this concept 2. 1115 waiver would need CMS approval – restrictions would likely be similar to current regulations 3. If approved, Utah would be at risk if costs exceed block grant amount 	To be determined	To be determined