



# INVEST IN COST AVOIDANCE RESTORE MEDICAID OPTIONAL SERVICES

A Utah Health Policy Project Fact Sheet

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## Total Cost to Restore 'Optional Services': \$425,711

The so called "Medicaid optional services (dental care, physical therapy, occupational therapy, vision care, and audiology) have all been eliminated or are scheduled to be eliminated by the end of fiscal year 2010.

As Utah explores new revenue enhancements, like the tobacco tax increase, to support Utah's Medicaid program, the state should dedicate a portion of enhancement funds to restore these much needed and cost-effective services. For FY 2011 it would cost only \$425,711 in state funds to restore all of the services – except for dental care. The payback in terms of cost avoidance is substantial. As enrollment in Utah's Medicaid program continues to expand as a consequence of recession-related job loss, policymakers should make Medicaid as efficient as possible. The 'cost avoidance' that occurs when we invest in medically necessary services and timely access to care is an important step in reaching that goal.

Critical Service	# Affected <sup>1</sup>	State \$ 2010	Consequences & Observations
Physical Therapy	4,789	\$97,322	- health conditions that call for physical therapy such as multiple sclerosis, strokes, cerebral palsy, and some cancers will get worse and more expensive to control. -some recipients will move to institutions where conditions will deteriorate, leading to increased health care costs for all.
Vision Care	9,617	\$187,084	-recipients will have difficulty remaining in or returning to the workforce -some recipients will be a danger on the road!
Occupational Therapy	3,159	\$6,661	Without services such as occupational therapy, many recipients will have no choice but to return to expensive nursing homes. Utah has been out of compliance with the 1999 Supreme Court ruling, <i>Olmstead vs. C</i> , which stated that individuals with disabilities must have the services and supports they need to be able to live and work in the most integrated setting possible.
Audiology/Hearing	2,031	\$134,644	-hearing-impaired recipients will have difficulty getting or holding a job -hearing aids are not affordable for those without coverage.
<b>Totals:</b>	<b>19,596</b>	<b>\$425,711</b>	

### Conclusion

The label of "optional" is misleading: "optional" services are medically necessary for those who use them. Most states cover the optional services that have been targeted for elimination in Utah.<sup>2</sup> Utah would be wise to restore these services using the rainy day fund or revenue enhancements like the proposed tobacco tax increase.

1. These figures reflect the number of Utahns who have utilized the given service.
2. Kaiser Commission on Medicaid and the Uninsured, "Medicaid Mandatory and 'Optional Eligibility and Benefits (policy brief), [www.kff.org](http://www.kff.org).