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Abortion coverage could sink Utah's low-income health insurance plans

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SALT LAKE CITY — About 400 low-income families who have their private insurance premiums paid in part by public funds could lose the benefit next month if their plans offer coverage for abortions.

The state Department of Health, which oversees the Utah Premium Partnership, has asked participants to verify by April 15 if their health plans offer an elective abortion benefit. Those who are enrolled in a plan that does offer such coverage, as well as those who do not reply, will be dropped from the program.

The change comes in the wake of new public attention on the issue of publicly funded health coverage and access to elective abortions. It has long been both state and federal policy that Medicaid dollars cannot be used to fund abortions except in extreme circumstances, but that rule has not traditionally been applied to premium assistance programs, which offer subsidies for private coverage offered through an employer. Very few insurance plans in Utah offer elective abortions, and most of those supplemented by UPP only help pay for abortions done to protect the life of the mother.

"This is definitely not about the reform package nor the executive order" stating that no public funds can be used to pay for abortions under the reform, said Lincoln Nehring, a health policy expert with the Utah Health Policy Project research and advocacy group in Salt Lake.

Neither the reform bill nor the executive order expanded the scope of the Hyde Amendment, a legislative provision passed in 1976 that barred certain federal funds to pay for abortions. The Hyde Amendment primarily addresses coverage through Medicaid, a program for the poor and disabled.

"Health reform isn't causing this, it's a clarification of existing law stemming from recent abortion debates in the Utah Legislature," Nehring said Thursday, adding that Hyde has long limited funds for abortion to cases in which pregnancy is caused by rape or incest, or the life of the mother is in danger.

UPP supplements might not be underwriting abortions directly, but state and congressional anti-abortion lawmakers don't want any public funds connected in any way to plans that do.

Nehring said that because of the short timeline — two weeks — a sizeable portion of those receiving UPP premium supplements will lose them, not because their plans don't comply, but because they can't provide the proof that they don't.

The health department already requires UPP participants to keep them informed, and because employees set up the health plans in hundreds of different ways, there was no other way for the state to be sure except to ask participants to verify the benefit, according to the health department, noting that it is only a heads-up.

"Our concern is that the timeline is exceptionally compressed, and that finding out more obscure benefits information from an insurance carrier can be a long, drawn-out process," said Korey Capozza, a health policy researcher and economist with Voices for Utah Children, the state's leading advocacy group for child welfare.

That will leave employees on the hook for insurance coverage that was beyond their reach until they were able to access the UPP subsidy, she added.

It's also possible that UPP recipients will have to shoulder the full burden of their premium until their employer-based benefit contract is up, Capozza said. Many employers require employees to sign up for insurance for at least a year, and prevent employees from dropping short of that period. UPP recipients earn less than 200 percent of the poverty level and shouldering that burden for an extended period of time could be a significant hardship on these low-income working families, she added.

Most of the children in families participating in UPP will qualify for the Children's Health Insurance Program, and many of the parents could move to the Utah Primary Care Network that pays for basic doctor visits and some selected prescriptions. However that program is closed for enrollment until May, and a requirement that new enrollees first prove that they don't have access to affordable job-based coverage cut shut the newly disqualified UPP adults out of PCN coverage.

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