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## Epidural, C-section comments overblown, says Utah senator

By kirsten stewart

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He doesn't deny saying that one way to contain Medicaid costs would be to stop paying for epidurals and Cesarean sections.

But Sen. Daniel Liljenquist, R-Bountiful, said his remarks were made "offline" and not for public consumption. He downplays the ensuing firestorm as "a tempest in a teapot," and regrets it will distract people from his larger health reform goal: a wholesale change in the way Medicaid pays for medical care.

Eliminating "elective" procedures from those covered by the low-income health insurance program, including epidurals and some C-sections, is "one of many conversations we need to have," said Liljenquist, who has been tasked by legislative leadership to rein in Medicaid spending. "But to say I'm bringing it as a formal proposal is a gross overstatement."

He isn't even sure the federal government would allow it.

Wednesday the Daily Herald quoted Liljenquist targeting such procedures for cuts. The senator admits to broaching the subject during an informal discussion with members of the Business and Labor Committee.

At issue, said Liljenquist, was the budget.

Medicaid, a joint state and federal program, now consumes 20 percent of Utah's entire budget, up from 9 percent a decade ago. A big chunk of that money is spent on medical care for low-income, pregnant women.

Medicaid pays for about 15,000 deliveries annually, about 34 percent of all births statewide.

Epidurals, an injection that blocks pain to the lower part of the body, is used in 83 percent of Medicaid vaginal deliveries, according to the Utah Health Department. And nearly a third of all births nationwide happen surgically, by C-section, which costs nearly double that of a vaginal delivery.

Eliminating these and other "elective" treatments, such as wart and bunion removals, could save millions, Liljenquist said. "We were just having a discussion. 'If you have a limited amount of dollars, how do you spend them? Do we fund Medicaid growth, or do we fund schools?' Those are the trade-offs we're making."

The senator said he isn't targeting pregnant women or "punishing people for being on Medicaid."

But his sentiments, highlighted on a popular radio talk show, reignited fears of death panels and other forms of health care rationing. And it raised again the rumor that scores of wealthy, married college students in Utah use Medicaid to pay for their pregnancies.

Korey Capozza, a senior health policy analyst at Voices for Utah Children doesn't buy the rumor, but admits, "there's something about it that rankles legislators" on both sides of the aisle.

Concerns about the possible abuse of Medicaid were behind a proposal last year to pull coverage from 5,600 pregnant women who only qualified for the program because they paid a portion of their medical bills.

It's a concern shared by Liljenquist. But epidurals account for maybe \$5 million of the \$1.7 billion spent on Medicaid in Utah — a sideshow to bigger problems driving spending, he said.

The senator was in Washington, D.C., meeting with federal Health and Human Services officials Monday about the possibility of moving Medicaid from a “fee-for-service” to a “capitated, managed care model.” With him were state health officials, a representative of the Lieutenant Governor’s Office, and Rep. Dean Sanpei, R-Provo, an executive at the Utah health giant, Intermountain HealthCare.

Medicaid now generally pays hospitals and doctors for services rendered.

Doing so sets up a perverse incentive for providers to deliver quantity — more tests and procedures — over quality, driving up costs, argues Liljenquist. He proposes, instead, to turn Medicaid into a managed care, or Accountable Care Organization (AOC).

“The state has tried this before where we pay a hospital, or integrated group of hospitals, doctors and nursing homes, a flat amount per patient and they manage the risk,” Liljenquist said. “We’re looking to broaden it to apply to all Utahns on Medicaid.”

It's a massive undertaking that would take years and require federal approval, he said. But AOCs are being promoted and funded by the Obama administration under federal health reform.

Low-income advocates also favor the idea.

“It could cut costs and, if done right, improve the quality of care, the Holy Grail of health reform,” said Lincoln Nehring at the Utah Health Policy Project. “I applaud the senator for taking this on. I just wish he didn’t have to vilify Medicaid recipients to do it.”

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The numbers Medicaid costs

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