Cuts target pregnant women, sick children

Medicaid To save $1.6M, 5,600 women would lose benefits.

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Nearly 10,000 pregnant women and catastrophically injured and ill children would lose their health insurance next year under a proposed scaling back of Utah's Medicaid program.

It's still early in the budget cycle and new revenue estimates -- which could make all the difference -- are due next week.

But ordered to carve $16 million -- 5 percent -- from the 2011 budget, the Health and Human Services budget committee on Thursday approved a preliminary plan that low-income advocates say hurts Utah's sickest and most vulnerable.

"If they want to curtail Medicaid spending, there are better ways to do it," said Lincoln Nehring of the Utah Health Policy Project.

On the chopping block is the $1.7 million Medically Needy Program, which allows families with seriously ill and injured children to "spend down" their income to qualify for Medicaid.

The family chooses between paying their "excess" monthly income to the state or putting it toward medical bills.

About 4,000 children and pregnant women get Medicaid this way -- people like Bridger Hunt, the 12-year-old who nearly lost his leg and his life in 2008 when he was struck by a neighbor's illegal, homemade firework.

If eliminated, they would lose coverage starting Jan. 2, 2011, said Utah Medicaid Director Michael Hales.

In addition, the committee recommended reducing the asset limit for low-income pregnant women from $5,000 to $3,000.

Up to 5,600 women would lose their benefits under the proposed changes for a targeted savings of $1.6 million.

But Hales questioned whether the Health Department would meet that goal in 2011.

"Maybe in 2012," Hales said. "But there's a lag time. Once a woman qualifies, she is covered through her delivery plus two months postpartum."

Utah is one of only seven states that consider a woman's assets in determining eligibility, and the $3,000 asset limit would be the most restrictive in the nation, said Nehring who argues cutting Medicaid in times of economic distress could hinder recovery.

"These Utahns do not have the resources to pay for care on their own," said Nehring. "Losing their coverage will force them to either forgo health care or seek care in the most expensive place imaginable, our emergency rooms."

The state's Medicaid program serves more than
