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Utah lawmakers look to avert 'false promise' of Medicaid

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A group of conservative Republicans on Friday called a plan to expand Medicaid to cover 131,000 low-income Utahns without insurance "a false promise" and said it would exacerbate the nation's financial problems.

In its place, argued Rep. Jake Anderegg, R-Lehi, Utah could care for its own through charity care. Or, said Rep. Ken Ivory, R-West Jordan, the state would have the resources it needs to help if Congress would give up millions of acres of federal land to Utah so it could be developed.

The lawmakers are trying to rally support for HB391, which would prohibit the state from expanding Medicaid.

"This is something Utah can't afford and while there might be short-term gain for our citizens, in the long term it will be a recipe for disaster," said Rep. Dana Layton, R-Orem.

Health care advocates, however, argued it's premature for legislators to be making a decision until a state-commissioned cost-benefit analysis is completed.

"The fact is we already are paying for care for this population, but we're paying for it in the wrong way" through emergency room care, said Judi Hilman, executive director of the Utah Health Policy Project.

Gov. Gary Herbert has said he plans to make a decision on Medicaid later this year, after the state study is finished.

"I would just counsel them all to let us go through this thoughtful, methodical study where we have all the information on the table and then make a decision," Herbert said.

The Affordable Care Act, known as Obamacare, would expand Medicaid to cover people making 138 percent of the poverty rate. For the first years, the federal government would pay all of the costs, with states picking up more in subsequent years, up to 10 percent in 2021 and beyond.

The Legislative Fiscal Analyst has estimated that the Medicaid expansion would save the state about \$6 million in the first year and nearly \$16 million in the second year as the federal government picks up \$248 million of the costs initially and \$521 million in the second year.

The savings come because it would cover a large portion of the jail population, youth in state custody and those with mental health and addiction issues.

Patrick Fleming, director of the Salt Lake County Division of Behavioral Health Services, said about 82 percent of the jail population could be covered by the expanded Medicaid, who are getting treatment now at taxpayers expense.

"We're up against the wall," he said. "We don't have the money to treat all the people we need to treat."

But Anderegg said the federal government can't keep spending money it doesn't have.

"It is a broken promise, and the federal government has a pretty poor track record" of keeping promises, he said. "It's just not sustainable."

After the years with initial savings, the costs to the state will go up as the federal share goes down, ultimately costing the state \$76 million by 2021, the lawmakers said, citing figures from the Heritage Foundation. Federal spending that year would be in excess of \$700 million.

"Why would we set ourselves up for that kind of fall with that kind of false promise," he said. "We simply refuse to be led down a road of failure."

Anderegg contended that Utahns are service-minded, as proven by the Olympic volunteerism, and believes doctors would be willing to donate their time to cover the uninsured.

He also said that people can afford health care without insurance, citing his own case where he had a five-year span without insurance where he racked up tens of thousands of dollars in medical bills, but paid them off over time.

"I cringe at this notion that we have to have coverage for everybody all the time," he said. "It's just not affordable in our current state."

Hilman said Utah made a major push a decade ago to increase the charity care network, but it proved a failure. If that's the best option, she said, "we're not drawing lessons from history."

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