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## Proposed Medicaid cuts could be devastating to Utah

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Advocates for elders and low-income residents in Utah see Republican plans for cutting Medicare and Medicaid costs as an unfair approach that could mean the loss of billions of dollars to Utah.

The proposal released last week by House Budget Chairman Rep. Paul Ryan, R-Wisc., would repeal key provisions in the year-old Affordable Care Act, privatize Medicare and cut \$1 trillion from Medicaid funding for states. The states would get set amounts, which would cap spending rather than adjusting it for changing needs and new enrollees. Congress is expected to vote on the proposal Friday.

The plan could translate to a \$554 million cut in federal Medicaid supports to the Beehive State, say officials with the Utah Health Policy Project, who used reports by the Congressional Budget Office and the Center on Budget and Policy Priorities for their own state-level study.

UHPP says losses over a 10-year period could include:

- \$3.2 billion in business activity, as seniors and others spend more on care and less on other goods and services produced in the state;
- 30,369 in related jobs;
- \$1.1 billion in worker earnings associated with those job losses.

The cuts could also mean nearly 76,000 more people will be uninsured in Utah, mostly low-income children, seniors and people with disabilities, who together make up 73 percent of the state's Medicaid recipients.

Republicans advocate the cuts as necessary to reduce the deficit. While President Barack Obama's budget deficit speech on Wednesday sounded like a repudiation of the proposal, his address was long on promises to protect seniors and those in need but was short on the kind of details the Republicans lined up.

While both the president's and the House's proposals would require tough decisions on how to control health-care spending, "the difference is Ryan's plan has us doing this completely on the backs of seniors, low-income families and people with disabilities," said UHPP spokeswoman Kimberly Myers. "This is not a balanced approach and is contrary to Utah's values."

The state has yet to undertake its own dissection of the Ryan plan and has no numbers or analysis to share, said Kolbi Young, a spokeswoman for the Utah Department of Health.

“We have not received any directive from the governor to further dig into Paul Ryan’s proposal for the Medicaid block grants,” Young said.

Obama said he would preserve Medicaid and Medicare “as a promise we make to each other in this society. I will not allow Medicare to become a voucher program that leaves seniors at the mercy of the insurance industry, with a shrinking benefit to pay for rising costs.”

But, he added, “if we don’t make any changes at all,” Obama said, “we won’t be able to keep our commitments to a retiring generation that will live longer and face higher health care costs than those who came before.”

That sounded good to Ronni Bennett of Oregon, whose elderblog Time Goes By often tackles elder politics. But she wondered what Obama meant when he referred to the need to protect “those who can least afford it and don’t have any clout on Capitol Hill.”

The bald admission that the weak are also politically helpless gave her a jolt, Bennett said during an interview, but it was nothing compared to Ryan’s plan. “My jaw just dropped,” she said. “I was nearly in tears when I imagined, what if this became the law of the land?”

The prospect of higher health costs combined with reduced Medicare and Medicaid reimbursements has doctors on edge, especially since they already have aged and disabled patients who can’t cover existing treatment costs.

Mark Bair, an emergency room doctor for the past 17 years who now practices in Utah County, said those problems always roll downhill to ERs, which are mandated by federal law to treat anyone who shows up even if Medicare and Medicare reimbursements don’t cover the cost of care.

“The community understands you have to pay doctors or you won’t have anyone to provide these services,” Bair said. “Yet, you see a lot more patients not paying.”

ER doctors also are seeing more people who deferred treatment because they couldn’t afford it, only to get sicker. Bair said he had a patient who ended up owing half his life savings after one episode of illness.

University of Utah physician Katherine Wheeler said that when she was still in private practice as an obstetrician-gynecologist, she just stopped charging her few Medicare patients because the paperwork hassles cost so much in staff time.

“The system has to change,” she said. “Everybody’s nervous. The patients are nervous. They know there are going to be higher costs.”

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Estimating the reduction

A Congressional Budget Office analysis of a GOP proposal says Medicaid spending would drop 35 percent nationwide by 2022, and 49 percent by 2030.

A separate analysis of the CBO report, by the Center on Budget and Policy Priorities, shows Medicaid cuts in Utah would start at 24 percent and reach 34 percent after 10 years.

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