Advocates Want Medicaid Held Harmless in Next Round of Budget Cuts
Dec 02, 2008 by Elizabeth Ziegler

(KCPW News) Medicaid should be held harmless from any budget cuts as the Legislature looks to balance next year's budget, says Judi Hilman of the Utah Health Policy Project. In fact, she says Medicaid should actually be strengthened as more people need assistance as the economic crisis impacts Utah.

"Since January, 13,000 Utahns have become eligible. In the last month, 3,000 individuals. That's just a huge jump. And so you're just looking at, we need $20 million new dollars, when there's no money to burn, right," Hillman says, "$20 million new dollars just to pay for that increase in eligibility."

Hilman says it's ironic that the Legislature is trying to reform Utah's health care system, but is not investing enough money in Medicaid. She says they are related, and sees expanding Medicaid as a central part of health care reform. But she says Medicaid funding is in jeopardy as state revenues fall further behind projections, and rumors persist that the state budget will be cut an additional 6-to-7 percent next year. And as the budget is shrinking, the number of people asking for help has increased 10 percent.

"And so it's a tall order, it's not pretty. And one of the things that we're going to be working on vociferously is making sure our Legislature avails itself of every cost-containment tool in the tool box," Hilman says. "Once we do that, there is no reason why we can't spare Medicaid, and hold Medicaid harmless, during this budget crisis."

Hilman says the state should look into cost-saving measures, such as bulk purchasing for pharmaceuticals. And, she urges state leaders to ask the federal government for help, in the form of a significant increase in Medicaid reimbursement rates.