Utah leaders pushing feds for quick approval for state Medicaid waiver

Published: Tuesday, July 19, 2011 5:10 p.m. MDT

SALT LAKE CITY — State government officials signed a letter addressed to federal officials on Tuesday, hoping to push their Medicaid waiver request along in a "timely fashion."

The original waiver, which seeks flexibility in reforming the system locally, among other changes to Medicaid, was submitted to the U.S. Centers for Medicare and Medicaid Services on July 1. Utah Gov. Gary Herbert said the state's plan "makes sense," is "innovative and homegrown," and is the result of much collaboration from stakeholders.

"We need flexibility from the federal government in order to find solutions which respond to Utah's unique demographics and dynamics," Herbert said. "While this reform represents a fundamental change in our state's Medicaid system, it's essential to realize that the status quo is unsustainable and threatens the very purpose of the Medicaid program, which is to provide a safety net for our most needy citizens. Not only will our reforms stabilize our Medicaid program, they will strengthen it and provide better health outcomes for Utahns."

Sen. Dan Liljenquist, R-Bountiful, helped to push the idea of Medicaid reform through the Legislature earlier this year. He said the changes written into the waiver revolve around how health care providers are compensated for serving Medicaid patients, as well as developing an incentive program that would drive people to the appropriate facilities for care.

While he said there are some concerns with the current proposal, Liljenquist ensures the waiver "is a work in progress … to stretch our dollars and put us on a sustainable path."

Local advocate and director of the Utah Health Policy Project Judi Hilman said she is "strongly opposed" to the current state of the waiver. She said reaching "accountable care," which is a goal of reform, takes a lot of time and hard work.

"I'm not seeing the painstaking effort here," she said. "We can do better."

Hilman is working directly with CMS to point out concerns that despite numerous meetings with policy makers, were not included in the waiver. She doesn't want the federal agency to grant flexibility for reform until all of the provisions are carefully examined.

"CMS already has some hard questions for the state," she said. State officials are hoping for approval prior to the beginning of the next fiscal year, to begin implementation of changes on July 1, 2012.

Herbert said the waiver is required in order to change the amount of co-payments for Medicaid participants, as well as contain growth of the system. He said that without local reform, Medicaid costs could exceed 30 percent of the state's budget by 2020.

Utah Senate President Michael Waddoups, R-Taylorsville, and House Speaker Becky Lockhart, R-Provo, joined Herbert in signing the letter.

"We believe we have found a way to reign in spending in Medicaid costs while still protecting people in Utah who need this really extremely vital safety net," Lockhart said. With the letter, she said, "We are saying, 'let us show you what we can do as states.'"
While many states are struggling to come up with ideas to contain rising costs and ballooning Medicaid enrollment, Hilman said Utah could shine as an example if more homework was done.

E-mail: wleonard@desnews.com, Twitter: wendyleonards