Utah leaders ask feds to give them more say in running Medicaid

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Utah Gov. Gary R. Herbert and legislative leaders are expected to jointly sign a request to the federal government Tuesday, asking for the flexibility to redesign the state’s Medicaid program.

Herbert, Senate President Michael Waddoups and House Speaker Rebecca Lockhart are slated to meet at 11 a.m. in the Gold Room at the Utah State Capitol, to sign the letter and discuss the impact of growing Medicaid rolls on the state budget. The state had 176,000 beneficiaries in 2006 and serves 244,000 today.

Utah’s proposal, which requires a waiver from current federal rules, would move Medicaid patients into managed care networks. Health care providers would be paid a set amount and would have to absorb any losses, eliminating any incentives to order unneeded tests or treatments.

If anticipated savings don’t materialize or rolls grow more quickly than budgeted targets, the state would ration care by cutting services.

The proposal also seeks to increase “archaic” limits on how much Medicaid patients are charged for copayments, aiming to create “an enhanced sense of responsibility and accountability” in beneficiaries. Providers could charge patients $40 deductibles and co-payments that could range from $15 for inappropriate use of emergency rooms to $220 for hospital stays.

The proposed date for implementation is July 1, 2012.

Advocates with the Utah Health Policy Project say they don’t support the proposal as it is written now.

“The waiver’s emphasis on cost containment is entirely appropriate, but that needs to be balanced with a commitment to quality improvement and better health outcomes for enrollees,” the group said in a statement. “The waiver has a long way to go before it achieves this balance.”

Its concerns include the proposed increases in how much patients pay, and it suggests using a sliding scale based on income.

“If families cannot afford the deductible and co-payments they may delay care and be forced into the emergency room, limiting the savings that can be achieved,” the group said.

It also said any list of the types of care that can be rationed should be based on the best medical evidence, continually updated, and include safeguards. A panel with members from the private and public sectors should define a minimum level of coverage that individuals must have, it added.
Read the proposal

Details of the state’s proposal to reform Utah’s Medicaid program can be found at http://1.usa.gov/iqalKO

See the Utah Health Policy Project’s critique of the plan at http://bit.ly/nrTfCh

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