

Medicaid expansion fails as ideology trumps finances

Talks will continue in a new task force

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Utah Gov. Gary Herbert underestimated the contentiousness of health care expansion in the state legislature.

"I'm confident -- I really am optimistic -- and believe that by the end of the legislative session in 2015 we will have a program in place which will deal with those people who need government assistance health care and we'll have a program in place that we can all agree upon," he said in October shortly before the details of his Healthy Utah plan were revealed.

Thursday, the final day of the legislative session, the governor held a press conference announcing that no agreement had been reached. "It's become clear to me and my colleagues we're not going to find a solution in the session that's going to be satisfactory to all," he said.

Instead of announcing an agreement to expand access to health care insurance to 138,000 Utahns (what Healthy Utah forecasted after Year Three of the program), Herbert announced that the state would instead pass a resolution that "underscores our resolve" to address the issue. If some real progress can be made, the governor would like to call a special legislative session during the summer to deal with the issue.

One lawmaker sent a message that the status quo is perfectly acceptable, however.

Rep. Jake Anderegg (R - Lehi) proposed amending the resolution to delete one sentence: "WHEREAS, all involved agree that doing nothing in regard to healthcare is not an option." The amendment was struck down, but the point was made -- "all involved" are not on board with Herbert.

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The main reason "doing nothing" isn't seen as an option for most is because Utahns have been and will continue to pay federal taxes that pay for the reforms in the Patient Protection and Affordable Care Act (PPACA or, colloquially, "Obamacare"). Healthy Utah projected "Utahns' ACA taxes returned to the State" as totaling more than \$2 billion in the first four years alone.

Sen. Gene Davis (3rd District), the Democratic leader in the senate, warned a month ago that opposition to health care expansion isn't based on financial considerations, but ideological ones.

"There are those who are saying we don't want to take any money from the feds. We are not going to take any money -- even if it's our money we don't want it."

Healthy Utah was projected to cost \$78 million to the state annually by 2021, and would insure 146,000 Utahns, at a cost of \$533 per person. An alternative plan pushed by the legislature would cover between 10,000 and 15,000 "medically frail" Utahns, at an annual cost by 2021 of between \$28 and 40 million, or around \$2,500 to \$2,800 per person, according to the state.

"You do the math. Which one seems to be the most sensible to you?" Herbert argued on Feb. 6. "I think the contrast is stark."

Bring straightforward Medicaid expansion into the equation (which is what PPACA intended), and the math becomes even more stark. A full Medicaid expansion was projected by the state to cost Utah less than \$40 million per year after 2020, at an annual cost per person of around \$325. The Republican-dominated legislature has not seriously considered a straight Medicaid expansion. "Everything we do has to go through the free market system," Davis said.

PPACA calls for the federal government to pay for 90 percent of state Medicaid expansions (it pays about 70 percent of the costs of Utah's existing program), but for 2014-2016, it is paying 100 percent of the costs. The legislature's failure to come to an agreement this session all but ensures that the first several years of a health care expansion will be far more costly to the state than if the issue had been tackled three years ago.

Criticism of the legislature's failure to deal with the issue was swift.

"The need is urgent," said RyLee Curtis, senior policy analyst at the Utah Health Policy Project (UHPP). "Every few days a Utahn will lose their life due to lack of access to health care, and every day the state of Utah is losing \$800,000 of taxes that we've already paid."

"To wait and research for three years, then kick the can down the road another four months in hopes of some new revelatory information is cruel to the people who need this help now," said Rep. Rebecca Chavez-Houck, the minority whip in the house. "There are people in our state who cannot wait until July for this help. There are families working themselves to the bone,

having to decide between needed doctors visits or groceries. No one deserves that instability. No one deserves to live with that fear."

The latest health reform task force will consist of the governor and lieutenant governor, Senate President Wayne Niederhauser, House Speaker Greg Hughes, House Majority Leader Jim Dunnigan, and Sen. Brian Shiozawa.

Obamacare in Utah: enrollment numbers

Though the Utah legislature has a choice when it comes to providing health care insurance to the neediest Utahns (thanks to the Supreme Court), the rest of Obamacare isn't negotiable.

UHPP released data on enrollment by Utahns in Healthcare.gov insurance plans on Wednesday. In all, 140,612 Utahns enrolled by this year's Feb. 15 deadline. Ninety percent of those Utahns are paying \$100 or less per month in premiums (as opposed to 67 percent nationally); the average subsidy those Utahns receive from the federal government is \$159 per month.

Twenty-two percent of those enrolled are children and another 33 percent are between 18 and 34 years old. Nationally, those numbers are 8 and 28 percent, respectively. "Child enrollment in Utah is much more than predicted by the state's nation-leading fertility rate and avg. household size," UHPP says.

How Summit County's lawmakers voted

Sen. Kevin Van Tassell voted to send the Healthy Utah bill out of the Health and Human Services Committee and voted Yes again when the bill was before the entire senate, where it passed 17-11-1. He also voted to send Sen. Christensen's "Frail Utah" plan out of committee but voted No on it before the entire senate, where it failed 17-9-3.

Rep. Kraig Powell joined **Rep. Brian King**, the minority leader, by casting a Yes vote for Healthy Utah when Democrats attempted to swap out a scaled-down Medicaid bill with the Healthy Utah proposal. **Rep. Mel Brown** joined the Republican majority in voting down the motion, 52-22-1.

Powell stated Friday that he has supported Healthy Utah for months. "But only 22 out of 75 Utah House members join me in that view. A majority of House members were opposed to creating what they saw as a new government entitlement program that, in the long run, they thought may be too expensive for our state to afford, and may discourage people from getting jobs and employer-sponsored health insurance coverage," he stated. "I disagree with those arguments."