Health care ruling last hurdle for Medicaid expansion in Utah?

By Lisa Riley Roche and Wendy Leonard
Deseret News/KSL
June 25, 2015

SALT LAKE CITY — Thursday's U.S. Supreme Court ruling on President Barack Obama's health care law allows Utah's federally operated insurance exchange to continue and also removes what may be the last hurdle for coming to an agreement on Medicaid expansion.

Gov. Gary Herbert and four state legislative leaders have been working together on how to use the federal money available under the Affordable Care Act for Medicaid expansion to provide health care coverage to low-income Utahns.

The governor assembled the group at the end of the 2015 session of the Utah Legislature, after the GOP-dominated House defeated his Healthy Utah alternative to Medicaid expansion. Herbert hopes to have a solution by a self-imposed July 31 deadline.

But faced with the possibility of the Supreme Court throwing out the federally operated exchanges and leave Utahns without coverage, work had slowed on Medicaid expansion.

About 86,000 Utahns have received health insurance benefits through www.healthcare.gov, the federal marketplace, which provides tax incentives to individuals who meet certain income requirements.

The health care law was challenged to eliminate those tax subsidies in states that did not create their own exchange system for the individual marketplace.
Utah is one of about three dozen states that chose to have users enroll in the federal marketplace. Avenue H, which provides enrollment services to small businesses in Utah, is the state's own system, but is not available to individuals and families.

It was feared that if people lost the tax incentive to obtain health insurance through the federal marketplace, they might not be able to afford benefits at all. The Affordable Care Act of 2010 was intended to increase the availability of health insurance, providing benefits to the uninsured.

The law gave states options in how to provide insurance options to people, but Utah has yet to make a decision on the matter, leaving Utahns who fall in the coverage gap without insurance.

Utah Democrats urged action on Medicaid expansion now that the high court has ruled.

"We urge our state lawmakers to work for the health and well-being of all Utahns by passing the Healthy Utah compromise as soon as possible," Utah Democratic Party Chairman Peter Corroon said.

House Minority Whip Rebecca Chavez-Houck said there's "no more 'red herrings' to fish out. The decision has been made. The Affordable Care Act has provided accessible health coverage to so many Utahns, and now it is time to insure many more."

Sen. Orrin Hatch, R-Utah, said the ruling does not change Republicans' plan "to reverse this course by repealing and replacing Obamacare with reforms that put patients — not Washington — first."

Hatch said the Supreme Court decision "failed to hold the Obama administration responsible for its reckless execution of its own poorly crafted law," allowing the law's authorization of subsidies only through state exchanges to be ignored.

**Contributing:** Mike Anderson