

# Utah Medicaid plan could pave way for other states, lawmakers say

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SALT LAKE CITY — While at least a dozen states that have expanded Medicaid are dealing with unexpectedly high enrollment and budget concerns, Utah lawmakers are hopeful their plan to insure thousands of low-income Utahns will be secure and sustainable.



State leaders Friday announced they have agreed upon a "conceptual framework" to expand Medicaid under the Affordable Care Act. The broad plan is intended to replace Gov. Gary Herbert's Healthy Utah and the House of Representatives' Utah Cares plans, both of which failed in the 2015 Legislature.

Meanwhile, as Utah leaders have worked to flesh out the state's program, at least 14 states have seen Medicaid enrollment exceed projections, causing at least seven states to increase their cost estimates for 2017, the Associated Press reports.

Some lawmakers in other states worry the health care expansion programs could mean less money for other state services, such as education. At least 22 states were dealing with budget shortfalls for the 2016 fiscal year, according to an Associated Press review earlier this year.

Utah Republican leaders say the state is moving forward on expansion because they believe their plan could address those very concerns and mitigate the risks. House Speaker Greg Hughes, R-Draper, said the plan could act as "a model for other states to follow."

"We're hoping to learn from these other states and then do the best job that we can," said House Majority Leader Jim Dunnigan, R-Taylorsville. "We have to be careful and come up with a mechanism that can work, and I think we have found one."

Dunnigan is part of the so-called Group of Six working with the governor to come up with an agreeable alternative.

As currently framed, the program recaptures federal dollars to provide coverage for up to 138 percent of the poverty level, while having doctors, hospitals and other providers who benefit from Medicaid expansion help pay the cost as federal funding wanes after the first year to cover 90 percent of the program. It's estimated to eventually cost the state \$78 million a year.

If Utah finds itself in the same boat of other states that have had to confront unanticipated enrollment and higher costs, the plan will act as a "backup motor to guide us through the rapids," Dunnigan said.

While Dunnigan said Friday's announcement meets the group's self-imposed July 31 deadline, Senate President Wayne Niederhauser, R-Sandy, said that's not the case because it will likely take at least through August to finalize the plan.

Dunnigan acknowledged Monday that lawmakers still need to "put the meat on the bones."

Still, lawmakers and advocates are optimistic about the program's progress.

RyLee Curtis, Utah Health Policy Project analyst, said after three years of discussion, it's the farthest Utah has come on the issue.

"We could have stopped talking about this two years ago after it didn't pass the first time, but here we are, moving forward," Curtis said. "Now it's just a matter of hashing out the details."

"It needs to be looked at carefully, but my belief is that there are ways to figure it out," said Rep. Raymond Ward, R-Bountiful. "I think the framework is a good step in that direction."

If Utah's model can mitigate cost risks associated with unexpected enrollment and resulting funding difficulties, it could be "huge for the rest of the nation," Curtis said.

However, for the plan to become a reality, medical providers that would help shoulder the cost still need to sign on to the plan, as do the federal government and the full Utah Legislature.

"We're closer than we've ever been, but we haven't quite gotten there yet," Herbert's spokesman, Jon Cox, said Monday.

Greg Bell, president of the Utah Hospital Association, said hospitals, which would benefit from having fewer uninsured people leave them with unpaid bills, are willing to help pay \$25 million of those annual costs. But before hospitals chip in, Bell said they would want to see other stakeholders, such as doctors and pharmacists, also pay their fair share.

"There's still a lot of work to be done," Dunnigan said.

The Group of Six is weeks, if not months, away from having legislation ready, he said, and it still needs approval from the federal government.

Niederhauser has said it's possible a proposal could be ready for a vote by lawmakers as soon as September. Herbert has said he will call a special session of the Legislature once it's done.

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