Gov. Herbert: Medicaid expansion efforts won't end

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SALT LAKE CITY — Gov. Gary Herbert said he's optimistic his efforts to expand Medicaid in Utah won't end when House Republicans meet behind closed doors Tuesday to take a straw vote on the latest proposal.

"I expect they're going to try to negotiate some kind of alternative. What they've got on the table right now may not be acceptable, but there's more than one — or two or three — ways to skin the cat," the governor told reporters Monday.

Herbert said there are other options for funding the state's share of the program to provide insurance coverage to low-income Utahns using the hundreds of millions of dollars available under President Barack Obama's health care law.

Those options include limiting proposed new taxes on health care providers to only a few groups, including hospitals and pharmacies, while finding a way to reimburse doctors who see Medicaid patients, he said.

The plan rolled out two weeks ago by the governor and key legislative leaders, UtahAccess+, added new taxes to some two dozen types of health care providers, including psychologists, podiatrists, optometrists, nurses and chiropractors.

The new taxes, expected to raise more than $50 million by 2021, were widely criticized by health care providers during a four-hour public hearing on the plan held last week.

House Speaker Greg Hughes, R-Draper, is credited with coming up with the funding portion of plan, the product of months of private meetings between legislative leaders and the governor.

Hughes has said he won't allow the plan to advance unless there are enough GOP votes to pass it in the House without any Democratic support. That means at least 38 of the 63 Republicans must agree to back the plan at Tuesday's caucus.

The speaker has declined repeated requests from the Deseret News to discuss Medicaid expansion.

Senate President Wayne Niederhauser, R-Sandy, said all senators, Republican and Democrat, will be contacted Tuesday to see if they would vote for the current version of the plan.

"What I'm hoping for is some clear direction on what we're going to need to do now," Niederhauser said, so the governor and legislative leaders can reconvene "and see what there is that will pass," hopefully in a special session.
The Senate leader said lawmakers could also look at a broad-based tax increase to pay for what will be a 10 percent share of the cost by 2021, including restoring the sales tax on food purchases.

But he said the chances of such an increase passing the Legislature are "very, very remote." Also a possibility is counting on growth in state revenues to cover the cost. Otherwise, lawmakers will need to look at some combination of provider taxes.

"The funding part, that's the difficult part for everybody," Niederhauser said.

The governor said it's "yet to be determined" whether he would call lawmakers into a special session of the Legislature to consider the plan even if House Republicans aren't on board.

"We'll see what happens," said Herbert, whose Healthy Utah alternative to Medicaid expansion failed in the House last session. "We'll be in discussion and negotiation on that, and we'll see what we think is in the best interest of getting something done."

He said again that doing nothing is not an option on Medicaid expansion. The new plan would cover some 95,000 Utahns, including 32,000 earning below the federal poverty level who don't qualify for any health care subsidies.

Herbert's statements come after Lt. Gov. Spencer Cox suggested last week that if there wasn't enough support in the House, it might be time to give up on Medicaid expansion.

"Sometimes there's just not a way forward we can agree on, and then we'll move on to other things," Cox told KUTV.

In a statement, the lieutenant governor blamed the federal government's requirement that Utahns earning up to 138 percent of the poverty level must be covered in order to qualify for the maximum funding match.

"If the federal government would make a few minor concessions, we could have found agreement with the House months ago on this issue," he said. "Unfortunately, Congress has again created a problem that they refuse to solve or even allow the state to fix on our own."

Former Gov. Mike Leavitt, who served as U.S. Health and Human Services secretary under President George W. Bush, said lawmakers are wrestling with the issue of who should be eligible for help with health insurance.

"We have expanded that program beyond that which is hardship to just people who need insurance," Leavitt told the Deseret News. "It gets all tangled up in politics at that point."

He said lawmakers have "a legitimate worry" that the federal government won't live up to its promise of funding what will eventually be 90 percent of the program's cost, calling it a "high likelihood" those numbers will change over time.

But Leavitt said the new plan "meets the common-sense standard. I think if circumstances change and the state can no longer afford it, they have to respond to that. That's the legislative process."

Rylee Curtis, a senior policy analyst for the Utah Health Policy Project, said although low-income Utahns who have been waiting for help with their health care costs for years may not have an answer soon, their needs are not going away.
"I'm optimistic that we will eventually find something that will work for Utah. We are not a state that leaves people out to dry," Curtis said. "It may take us awhile, but we will get there eventually."

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