SALT LAKE CITY — Yet another Medicaid expansion plan surfaced in a meeting between Gov. Gary Herbert and GOP legislative leaders Wednesday, the day after lawmakers soundly rejected the governor's second attempt to find a solution.

"We've decided to focus on the uninsured," Senate President Wayne Niederhauser, R-Sandy, told KSL. "That's where we can get the votes in the House and the Senate."

Niederhauser said the plan outlined Wednesday calls for the state to use Medicaid expansion funds available under President Barack Obama's health care law to focus initially on the medically frail who don't have coverage.

Eventually, the Senate leader said, the plan would be expanded to include everyone in the so-called coverage gap who earn less than the federal poverty level but don't qualify for federal subsidies without Medicaid expansion.

Just how long it would take for the state to phase in coverage for the 63,000 Utahns who meet that description has yet to be determined, Niederhauser said, as does the plan's price tag.

"This is about helping those in need who are in the gap and also creating sustainability for our state budget," he said. "Hopefully, over some time, we'll get the whole gap covered."

Limiting coverage to those earning less than 100 percent of the federal poverty rate means the state would receive a reduced match of federal funds and be responsible for 30 percent of the program's cost as opposed to 10 percent starting in 2021.

Hughes agreed with the statements made by the Senate president, the speaker's spokesman, Chuck Gates, said.

"We had a good discussion and talked through the various concerns," the speaker said in a statement. "We all remain committed to finding sustainable solutions for those most in need and expect to see some new ideas next legislative session."

The governor, however, was less enthusiastic. He had hoped to call lawmakers into special session next week to approve a Medicaid expansion plan. Had that happened, it would still take until January 2017 to be implemented.
"New ideas are always welcome, but the governor has yet to see a proposal better than his Healthy Utah plan," Herbert spokesman Jon Cox said, referring to the governor's plan that failed to pass the 2015 Legislature.

Earlier in the day, Herbert had expressed frustration after the vast majority of House Republicans and members of the Senate said they couldn't support the successor to Healthy Utah, dubbed UtahAccess+.

"We have tried the best we can," the governor told reporters, saying he was leaving it up to legislative leaders "to find something that they're willing to pass" that also takes care of the Utahns in the coverage gap.

Herbert said more limited plans, such as one advanced by the House last session, aren't good enough.

"The argument has been that it's better than nothing, but not much," he said. "It just seems like we're spending a lot more money and getting a lot less benefit. So, to me, I don't quite understand that approach. It seems like we ought to find something better."

UtahAccess+, the product of months of private meetings between Herbert and GOP legislative leaders, would have taxed hospitals, doctors and other health care providers to help pay for coverage for some 95,000 low-income Utahns.

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–Gov. Gary Herbert

Otherwise, it was similar to the governor's failed Healthy Utah plan, proposing to use the hundreds of millions of federal dollars available under the Affordable Care Act to assist with the purchase of private insurance policies. But providers adamantly opposed the new taxes in UtahAccess+ that would rise as participation in the plan increased, adding to the concerns many lawmakers already had about Medicaid expansion.

"I think we've found another way that it doesn't work," the governor said shortly before his meeting with Niederhauser and Hughes. He blamed the lack of support for UtahAccess+ on bad information "that kind of poisoned the well a little bit."
RyLee Curtis, senior health policy analyst of the Utah Health Policy Project, said the group will keep the pressure on lawmakers to take care of all Utahns in the coverage gap. "Any plan that our organization would support would have to close the coverage gap completely, with adequate benefits," she said. "We want to see a full expansion, but I think we have to work with the system we're dealing with, the legislators now in office." Curtis said the group is heartened that lawmakers have said they want to help those in need of coverage. "That's what we need to focus on here. There's the political will, there's the understanding people continue to suffer while they wait," she said. "It's a matter of ensuring their voices continue to be heard in this debate."

Curtis said she is participating in a town hall meeting on Medicaid expansion at the Salt Lake City Public Library from 7 p.m. to 9 p.m. Thursday. The meeting was organized by Democrats, who are in the minority in both the House and Senate. University of Utah political science professor Matthew Burbank didn't hold out much hope a compromise will be found. "Honestly, I don't really see an obvious path here that would lead to some way to extend coverage," Burbank said. "We haven't come close to deciding how to deal with this very real issue."