House GOP Caucus Expected to Reject Medicaid Proposal Drafted by Their Leaders

By ANDREA SMARDON · 14 HOURS AGO

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A key decision about whether to expand Medicaid in Utah will be decided by a group of Republican lawmakers behind closed doors Tuesday afternoon. The GOP caucus of the House of Representatives is expected to take a poll to see if members support the latest proposal, but the rest of the state's lawmakers will likely never

get to vote on it.

Last week, a committee room at the Capitol was so full, there were two overflow rooms. It was the one chance that the public has had to weigh in on this new proposal drafted by Republicans to expand Medicaid in the state. The controversial piece of the plan that most people wanted to talk about was the provider tax. Other states have charged a hospital fee, but under this proposal, Utah would be the first to charge individual doctors and care providers a fee as a way of paying for an expansion. The President of the Utah Medical Association Bill Hamilton started off the public testimony. "We sent out a survey to our membership. We got over 2000 responses within a week," Hamilton says. "99 percent of the physicians were opposed to this tax."

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In the same survey, two thirds of doctors said the state should expand Medicaid to cover those who don't have insurance, but they're united in opposition to this approach.

"It just seems a little ridiculous that we are being asked to pay for the clinical services that we're providing," says Kyle Bradford Jones, a family physician at the University of Utah School of Medicine. Jones says this extra fee would actually make a doctor's license more expensive here than anywhere else in the country. He warned that physicians already in short supply might not choose to practice in Utah.

"Right now, it's estimated at increasing our licensing fees by 800 dollars per year," Jones says. "I think one of the biggest fears is that it's going to keep going up, and that we won't have any control of that and soon it will be thousands and thousands of dollars."

The fear that Jones is talking about mirrors an argument that some Republicans have been making against expansion. The federal government has committed to pay 90 percent of the cost of expanding Medicaid, an estimated 450 million dollars per year. Conservatives like House Speaker Greg Hughes say they are worried that the remaining 10 percent has no limit to its potential growth. That's why he thought it would be a good idea to spread the risk among all the healthcare providers who would be receiving those federal dollars.

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"What if the costs or the projected enrollment growth is far greater than what we anticipated? Who would pick up that amount? This plan admittedly has that being paid for by the providers, who've argued that these dollars are important to leverage," Hughes says. "They're saying that's a risk they're not comfortable taking. Well, that was the risk that the state was facing." Hughes is one of six GOP leaders who have been working on a compromise plan after he and other House Republicans rejected Governor Gary Herbert's Medicaid expansion plan, Healthy Utah, in the last legislative session. Herbert spent a year in negotiations with the federal government to devise a plan designed to appeal to Utah conservatives, with a private market approach and more cost-sharing for patients. The Senate supported it, but in a closed door caucus last legislative session, House Speaker Hughes and Majority Leader Jim Dunnigan blocked the legislation, refusing to bring it to the House floor for a roll call vote.

Since then the so-called "Gang of 6" have been meeting privately to come up with a plan that House leaders can get behind. Emergency physician and Republican Senator Brian Shiozawa is part of the Gang of 6. He's opposed to taxing doctors, but is reluctantly supporting this proposal. He says he'll do whatever it takes to get a Medicaid expansion in Utah.

"In this case, the greater good of the expansion outweighed the problems, the very real problems of the provider tax," Shiozawa says.

But given the opposition from the medical community and conservatives themselves, Shiozawa admits that the provider tax may doom the bill to failure. Physician Kyle Bradford Jones questions whether House leaders even want their proposal to succeed.

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"There's a broad public support for Medicaid expansion, and so from a political perspective, you know the cynic in me says, well maybe they're looking for a fall guy. Maybe they're looking to pin it on somebody else so that they don't necessarily take the blame," Jones says.

Hughes has said the House GOP caucus will only support the proposal if at least 38 of the 63 members favor it. If Republicans reject it as they appear poised to do, this proposal, like Healthy Utah, may never get to the House floor for a roll call vote, meaning Democrats won't get to weigh in. Democratic Representative Rebecca Chavez Houck says many citizens who stand to benefit from a Medicaid expansion have been disenfranchised in this process. If House leaders are sincere, she wants to know why it took 3 years to come up with this plan.

"There was no intention to make it work," Chavez Houck says. "There was a very clear intention to redirect the public disdain for lack of action." Speaker Hughes denies that the provider tax was devised as a poison pill. He says there are much easier ways to draft a bill that would fail, and he did not anticipate the opposition the proposal has received.

"We thought that making it very broad and fair and lowering those assessments to those provider classes that receive it was something that - if this is an area that we need to get into - would be accepted," Hughes says. Senator Shiozawa says the proposal should be considered by the full legislature.

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"I always like a formal public vote on important items, and this is about as important as we get," Shiozawa says. "Whether this is a Republican or Democrat issue, I'd bring it before the whole body of the Senate, and let everybody weigh in, and represent the people of the state of Utah, and if it

fails then it fails according to the vote like we've been taught that it should do."

House Republican lawmakers will likely reject this latest proposal in their caucus this afternoon, but Shiozawa says if there is no bill passed this year, there will be a new bill in the next session, and the session after that. Because he says the problem of the coverage gap will not go away.