Advocates: Medicaid plan is limited help for Utah's neediest

By MICHELLE L. PRICE Associated Press


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SALT LAKE CITY — As Utah finalizes its bare-bones proposal to expand Medicaid, community advocates say the $30 million plan is a short-term solution for a group of people who mostly live in severe poverty and would be ineligible if they earn more than about $600 a year.

"A panhandler can make more than that," said Alan Pruhs, the executive director of the Association for Utah Community Health, which represents health centers and clinics that serve the poor.

Pruhs and other affordable health care advocates say it's great that lawmakers are helping the state's neediest. But the advocates say Utah would be better off spending about $50 million, triggering an offer from the federal government to pitch in hundreds of millions more and insure more than 100,000 people.

If Utah had taken up the federal government's offer under President Barack Obama's health law to take more money and insure more people, the state would be covering a broader group of sicker and healthier people, said RyLee Curtis, a Medicaid policy analyst with the Utah Health Policy Project.

That would help balance costs, but "instead, we're targeting just the sicker people with more pent-up health needs," said Curtis, whose nonprofit advocates for affordable health care.

GOP state legislators rejected the offer under Obama's law, pointing to states facing strained budgets after enrollment in the program was double or nearly triple than projected.

The deal Utah passed this March, which earned some Democrat backing, instead covers a fraction of the working poor. Utah would pay about $30 million, while the federal government kicks in about $70 million more.

It will be submitted to federal health officials next month, though the Centers for Medicare and Medicaid Services has declined to comment on whether they'll approve it.
State officials originally aimed to cover about 16,000 people with Utah's plan, but they scaled that back to somewhere between 9,000 and 11,000 after realizing how costly their care would be. Most of those eligible are chronically homeless or involved in drug or mental health treatment programs and may not had regular care or insurance for years. About one-third of those covered would be parents with dependent children, who would be eligible if they earn up to 60 percent of the federal poverty level. That's about $14,580 a year for a family of four. The rest of those covered would be chronically homeless or in treatment programs, only eligible if they earn up to five percent of poverty level — $594 a year. Obama's plan called for expanding the program to include individuals earning up to about $16,000 a year, which Pruhs said would provide a cushion as people work their way out of poverty and prevent others from sliding deeper into it. "Maybe we'll prevent individuals from becoming homeless by having access to care and not having medical bankruptcies or, you know, just keeping them healthy and working," he said. House Majority Leader Jim Dunnigan, a Taylorsville Republican who sponsored the law, said if Utah fully expanded the program, that could include about 40,000 people who are already getting subsidized private insurance through Obama's law. Dunnigan said if Utah covered those people under Medicaid, the federal government would stop spending $400 million to cover that group and the state would start paying some of the cost. He said the state may adjust the plan in the future if it thinks it can open the program up to more people, but for now, it's a prudent step that helps people without blowing up the budget. "I think it's absolutely something to be celebrated," Dunnigan said. "We're helping people and particularly focusing on those most in need."