My view: Full Medicaid expansion is the only reasonable solution

By RyLee Curtis
For the Deseret News

After years of studies and debates, Utah lawmakers passed HB 437 to extend Medicaid benefits to 11,000 people of the 63,000 Utahns in the coverage gap (Utahns who earn too much for Medicaid, yet too little to qualify for insurance on healthcare.gov). We maintain that full Medicaid expansion is the only reasonable solution to Utah's coverage gap. And this fact is becoming more evident as we learn more about how this new Medicaid plan will be implemented.

Utah lawmakers recognized and addressed the moral and economic incentive to extend Medicaid coverage to nearly 4,000 parents, and offered Medicaid coverage for the first time to nearly 7,000 adults without children.

Sounds great, right?

But there's a catch.

Soon after the legislative session ended, the Utah Department of Health (DOH) started determining who would get this new coverage and who would be left uninsured. To do this, DOH met with stakeholders including behavioral health providers, homeless shelters and clinics, and advocates.

Under the guidelines of HB 437, the DOH created criteria to offer full Medicaid benefits for 12 continuous months to the neediest cases: the chronically homeless, criminally involved or Utahns with behavioral health disorders. A valiant gesture, but a costly one. Because the cost of insuring these people is more expensive than lawmakers realized, the estimated number of people covered dropped from 16,300 to 11,000.

Public hearings on the waiver are happening now.

At the first hearing we heard from several Utahns asking whether they or their loved ones would qualify. One Utahn, who is both a student and a part-time worker, asked why Utah is in the business of picking who gets coverage:

"As the son of parents who both were, and one is, still incarcerated, I learned not to repeat the same mistakes my parents did," he told DOH staffers and the media. "From what I know, HB 437 *maybe* could have helped my parents, but doesn't help someone like me, who is trying to not repeat the same mistakes."

Although we are appreciative of new coverage options for low-income families and single adults, we need to recognize the pitfalls this plan maintains and creates. If Utah wants to reduce intergenerational poverty and help people become educated and obtain good jobs, why we are making it difficult for them?

HB 437 increased eligibility for parents to 60 percent of the federal poverty level (FPL), but it still keeps many pitfalls for low-income families. For instance, if a family of three earns over $11,088 annually — but not enough to qualify for marketplace insurance — they could lose the security of their Medicaid benefits.

As this young man testified: "It creates an incentive that pushes people to stay in poverty because they could lose their benefits if they make a dollar too much past their eligibility, as well as commit crimes, or possibly experiment with substances as a means of guaranteeing them access to Medicaid."

As long as Utah perpetuates the Medicaid coverage gap, low-income families and individuals will struggle to get ahead.

It's time Utahns look beyond incremental coverage as the only solution.

We need full Medicaid expansion through Healthy Utah, or other means, as a way to create a diverse risk pool to lower the per-person costs in this program. We need full Medicaid expansion to eliminate pitfalls for low-income Utahns and to provide the security of health benefits to all Utahns seeking to escape poverty. And we need full Medicaid expansion for people like this young man so he doesn't have to repeat the mistakes his parents made just so he can get health coverage.

RyLee Curtis is the Senior Health Policy Analyst at the Utah Health Policy Project, a non-profit, non-partisan organization based out of Salt Lake City.