

# Why Medicaid expansion makes sense for Utah

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How does keeping tens of thousands Utah families uninsured — including nearly 3,000 people in Washington County alone — benefit the rest of us?

According to some members of the Utah Legislature, it's just too risky to give these families access to affordable health care.

But does that make sense?

As of today, 31 states have expanded Medicaid. The most recent data from these states show uninsured rates falling dramatically and state budgets realizing millions of dollars in savings and new revenue. A prime example is Montana — which, like Utah, is an independent Western state with no love for Washington. But after Montanans decided that denying health care coverage to their fellow residents wasn't right, their legislature expanded Medicaid.

So far, Montana's uninsured rate has been cut in half (from 15 percent to 7.4 percent), and the state is saving millions of dollars a year thanks to cost savings it adopted along with the expanded coverage.

Montana's results aren't unique — a recent report by the Robert Wood Johnson Foundation predicts that every state that expands Medicaid can expect similar benefits. Colorado saved \$136 million in 2014 and expected to save \$148 million in 2015 as adults and parents transition from inefficient Medicaid waivers to their new coverage.

Meanwhile, Utah's uninsured rate is 12.4 percent — almost double the rate in Montana and 50 percent higher than the national average. Plus, Utah now has the highest rate of uninsured Latino children in the nation. That's not just risky; it's embarrassing.

But expanding Medicaid is too expensive, other legislators claim.

Really? Under HB 437, the minimal expansion plan passed by the legislature earlier this year, taxpayers would pay \$17.6 million in state funds to help 10,000 people. It will cost \$1,760 annually to cover each lucky person. Under the full-expansion Healthy Utah plan — which the legislature voted down in 2015 — taxpayers would pay \$25 million to cover 109,000 low-income Utahns, dropping the yearly cost to \$230 per person. This is because the Healthy Utah plan returns hundreds of millions of taxpayer dollars to invest in health care access and coverage. Now which coverage plan sounds more expensive?

But the federal government can't be trusted, other lawmakers chime in. Just look at the 2015 collapse of Arches, Utah's insurance co-op. But Arches' failure isn't connected to Medicaid expansion at all. It was caused by a "poison pill" that Congress inserted into a 2014 spending bill to sabotage the ability of small insurers like Arches to cover the pent-up demand of previously uninsured consumers.

Medicaid funding is completely unrelated. For states that expand Medicaid, the federal government covers 100 percent of the expansion costs through 2016. Afterward, the federal matching rate decreases to 90



percent by 2020. Currently, Utah pays 30 percent of Medicaid spending, with the federal government covering the remaining 70 percent.

This is why the Healthy Utah plan — which triggers the enhanced match by completely closing Utah's coverage gap — is so much more fiscally efficient than a partial expansion.

Utah should fully expand Medicaid to give the 63,000 Utahns in the coverage gap access to affordable coverage and create millions of dollars in state budget savings and new revenue. The results from Montana, Colorado, Oregon and other states are clear: Expanding Medicaid not only conserves taxpayer dollars, it makes families healthier and more financially secure.

Eliminating the pitfalls embedded in Utah's current safety-net system will also address statewide challenges such as homelessness, intergenerational poverty, the spike in suicides caused by lack of mental health coverage and the scourge of opioid abuse that impacts all races, classes and income levels.

If lawmakers are truly concerned about cost, risk and sustainability, they should recognize that perpetuating Utah's coverage gap is far more expensive, perilous and unmanageable than fixing it. If you agree, contact your local representatives and voice your support for full Medicaid expansion before Utah loses even more ground.

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