

Real Solutions to Close Utah's Coverage Gap

Key Principles for the "Committee of Six"

At the end of the 2015 legislative session, a committee was created to negotiate and come to an agreement about how Utah should expand access to healthcare coverage for low-income Utahns. This "Committee of Six" is made up of Gov. Herbert, Lt. Gov. Cox, President Niederhauser, Speaker Hughes, Rep. Dunnigan, and Sen. Shiozawa. Research clearly shows that covering more families with health insurance is better for Utah's people, health, and economy. The Cover the Gap Coalition knows it's possible to provide this coverage in a fiscally sustainable manner that preserves state control. As the "Committee of Six" deliberate, we believe these common-sense principles should guide their efforts to give low-income workers and families better access to life-saving healthcare.

Respect the Taxpayer

Every year Utah sends over \$680 million in taxes, fees, and penalties to the federal government to pay for implementation of the Affordable Care Act (ACA). Because we have yet to close the coverage gap, only a small percentage of our tax dollars are returned to us. Increasing access to healthcare by closing the coverage gap would provide the state with hundreds of millions of dollars a year to improve access to quality healthcare for Utah families. Any plan that the "Committee of Six" agree upon needs to:

- Return the maximum amount of taxpayer dollars to pay for a coverage plan that qualifies for the ACA's enhanced match rate of 90% federal funding and 10% state funding.

Seek a Private Market Solution

In recent years the Utah legislature defeated bills to expand traditional Medicaid for two years, and declined to address a traditional expansion bill a hearing during the 2015 session. Although expanding traditional Medicaid is preferable, we encourage the "Committee of Six" to create an alternative that will strengthen Utah's economy by:

- Using employer-sponsored insurance when available.
- Using premium assistance to make the private market more affordable:
 - Create a robust definition of "Medically Frail" for adults who need the full array of supports and services offered through traditional Medicaid.

Close Utah's Coverage Gap

Right now there are 72,500 Utahns who live in the Medicaid coverage gap. They can't get coverage through their employer and can't afford to purchase it on their own. Yet they earn too little to qualify for subsidies on the marketplace, but too much to qualify for Medicaid. Therefore, any solution the "Committee of Six" creates needs to:

- Close the Medicaid coverage gap completely now and in the future:
 - Gaps exist between 50-100% FPL for parents (\$9,895-\$19,790 per year for a family of three) and 0-100% FPL for single adults (\$0-\$11,670 per year for a single adult without children).
- Extend Medicaid eligibility up to 138% FPL in order to trigger the maximum federal contribution.
- Provide affordable and comprehensive health plans that meet at least the Essential Health Benefits:
 - Coverage must include outpatient hospital care, emergency room access, inpatient hospital care, pre- and post-natal care, mental health and substance use disorder services, prescription drug coverage, habilitative and rehabilitative care, lab services, preventive services, and pediatric services.

Personal Empowerment

Because two studies have confirmed that over 60% of the individuals who would benefit from an expansion are currently employed and that 86% of Utah families who would benefit have at least one adult working, any plan approved by "Committee of Six" should strive to:

- Ensure individuals are given the option to seek assistance through Department of Workforce Services to find employment or develop the skills to improve their current employment situation.
- Empower beneficiaries to use their new healthcare coverage to create better health outcomes (like smoking cessation, finding and using a primary care doctor, etc.).

Shorthand Principles:

Principle #1: Respect the Taxpayer

Return the maximum amount (\$680 million/year) of Utah taxpayer dollars to strengthen healthcare access for Utah families.

Principle #2: Consider a Private Market Solution

Create choice and accountability with multiple coverage options which include private insurance, employer-based insurance, and Medicaid.

Principle #3: Close 100% of Utah's Coverage Gap and Qualify for Enhanced Federal Funding

Extend eligibility to a level that qualifies for the maximum enhanced federal contributions and advance coverage plans with affordable and comprehensive health insurance which is accepted by all Utah providers, hospitals, and specialists.

Principle #4: Promote Personal Empowerment

Promote resources for beneficiaries to improve their employment status and to use the new health coverage to improve their overall health outcomes.