

Basic Breakdown of Utah's Medicaid Expansion "Repeal and Replace"

Utah passed full Medicaid expansion via the Proposition 3 ballot initiative in November. This initiative even included a small increase in the non-food sales tax as a funding mechanism. (0.15%, or about a penny on a movie ticket)

The legislature immediately pursued repeal, and passed their replacement, SB 96 in February as the first priority of the session.

We have nicknamed SB 96 the **BROKEN BRIDGE** across the Medicaid coverage gap because it includes many harmful elements or "missing planks"

- **1st: Work Reporting Requirements**
 - which requires a lengthy paperwork process, including a requirement to fill out 48 job applications. This illustrates that the legislature misunderstands the issue—they think advocates oppose requiring WORK, when we are really fighting back against PAPERWORK.
 - Medicaid is a health program, not an employment program.
 - Yes, employment and health are correlated, but health must come first. Punishing individuals by taking away their health care does not help them gain employment. Treating physical and psychological health issues is the solution to enabling access to employment.

- **2nd: Enrollment Cap**
 - The enrollment cap in the state's plan is arbitrary and unspecified. It is subject to discretion of the Utah Department of Health. It will be automatically triggered if expenses tap into general fund beyond the sales tax increase (and beyond an initial appropriation).
 - The legislature could also pressure the UDOH to enact the cap at any point when they deem it is no longer "practicable" to fund expansion.

- 3rd: **Per Capita Cap**
 - Under a per capita cap, the state is asking the federal government for a limited amount of funding to cover its rising health care needs, without actually addressing rising health care costs.
 - In exchange for this cut in funding, the state receives permission to make cuts to Medicaid programs, services, and enrollment that are usually forbidden
 - The Utah DOH seems to realize how dangerous per capita caps can be, and they are asking for a range of escape hatches and protections- but that doesn't ease our concerns, since none of it is guaranteed to be approved.

- 4th- **Partial Expansion**
 - The state is requesting a 90/10 match rate for a partial expansion to 100% of the poverty line, as opposed to 138% as required by law.
 - This creates a secondary coverage gap for folks from 100-138% FPL since anyone in that category who was counting on Medicaid expansion coverage is now locked out without options until January 2020 when they can get coverage under the ACA individual market.
 - The ACA individual market also creates affordability concerns. Even though premiums at that income level are quite affordable, out of pocket costs like copays add up quickly and can be a significant barrier to care.

The SB 96 repeal and replace plan also includes four phases:

- First was the **bridge plan** which was approved April 1st
 - This rolled out partial expansion up to 100% fpl at the traditional match rate (68/32)
 - Included authority to cap enrollment and a work reporting requirement
 - CURRENTLY ENROLLING: about 10k newly eligibles, 16k from a very limited Medicaid program (called Primary Care Network) to full benefits

- Second is The **per capita cap waiver** - which was submitted on May 31st, and the public comment period is open NOW.
 - This includes a range of asks, most notably:
 - The same enrollment cap and work reporting requirement
 - The same 90/10 match for partial expansion (100 FPL)
 - With the addition of a per capita cap

- Then there is the potential to move to one of two **BACKUP plans**:
 - If current waiver is not approved by January 2020 *OR* if the enhanced 90/10 match rate for the partial expansion to 100 FPL or enrollment caps are denied, then we move to phase 3: **Fallback**

- This plan has a full expansion: with the 90/10 enhanced match up to 138% -- but with the addition of a work reporting requirement
- If that third plan is not approved by July 2020 THEN we move to phase 4: **Full Expansion**
 - This final fallback phase is basically Proposition 3, with a few minor adjustments, but without caps or work reporting requirements

Right now we are in the middle of phase 2, so we are focused on collecting public comments, which will help challenge the harmful elements in the Per Capita Cap Waiver, so we can pursue our goal of FULL expansion in phase 3 and 4.

These comments are part of the 1115 waiver process, and have already been used in legal challenges in Kentucky and Arkansas to overturn harmful proposals in those states.

We have already collected more than 1500 comments, and our goal is 15,000—so we have a lot of work ahead of us to ensure that we are building public outcry to back up future court cases challenging these harmful rules.

Interested individuals and organizations can help by filling out a very brief survey at: www.healthpolicyproject.org/comment

Utah's SB96 is a Broken Bridge to Medicaid Expansion

