

UTAH HEALTH POLICY PROJECT

# HEALTH MATTERS

*on the Hill...*



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1. **Medicaid Matters on the Hill**

**Budget: Medicaid looking good, but no guarantees until *sine die* (end of Session)**

Last Thursday, the Executive Appropriations Committee cancelled their meeting at the last minute. Members assured us that vital programs such as the Breast and Cervical Cancer Treatment and Prevention Program, hospice care, PT/OT, coverage for certain transplants, and interpreter services are still on the list to be funded. But, as you know, things can change quickly on the Hill.

Executive Appropriations is scheduled to meet at 4:10 today (Monday, March 7) in room 210 of the Senate building. For more information [click here](#). We need to keep the pressure on leaders to maintain these vital programs.

**Cuts Still on the Chopping Block: Primary Care Grants**

Primary Care Grants funding (\$400,000 of the \$1.2 million total) has fallen off of the list to be backfilled! The goal of the State Primary Care Grants Program (SPCGP) is to increase the number of individuals with access to appropriate, high quality, and cost-effective primary

Area	Grantees	Amount	Average Grant
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health care. This program serves Utah’s low-income families that do not have health insurance or have insurance that does not cover primary care services. The program provides these families with a “medical home.” Individuals with a medical home are more likely to be diagnosed early, receive appropriate care, and report satisfactory outcomes.

In fiscal year 2011 \$1.2 million in SPCGP funds served 45,000 people. Here’s a break-down on the types of services by category and the amounts associated with each:

Primary Care	17	\$608,884.00	\$35,816
Dental	14	\$336,778.00	\$24,055
Mental Health	4	\$158,043.00	\$39,511
Primary Care & Dental	2	\$70,000.00	\$35,000
Primary Care & Mental Health	1	\$19,440.00	\$19,440
<b>Total:</b>	<b>38</b>	<b>\$1,193,145.00</b>	

Patients served through the SPCGP pay a sliding-fee scale fee for the services they receive. Also, a good portion of the money for primary care (at least at health centers) provides subsidies for quality prenatal care and chronic disease management. For the total amount allocated for “primary care” (\$608K), for example, there is a significant return-on-investment, and this is illustrated by the fact that one pre-term, low-birth weight, or baby born with severe complications due to inadequate (or no) access to prenatal care will cost the state much more than the \$608K allocated to primary care under this program.



**YOU CAN HELP** educate members of the Executive Appropriations committee about the critical role that the SPCGP plays. Please ask them to backfill the full \$400,000, *while protecting Medicaid items already backfilled*. Such a cut could have costly consequences, as clients would then be utilizing the ER for their care, shifting costs to the State.

During the day...

- Call Senators at (801) 538-1035. Toll free: (800) 613-0677.
- Call Representatives at (801) 538-1029 Toll Free: (800) 908-4261

#### Legislative Leaders (Executive Appropriations Committee)

Prefix	First	Last	Party	Dist	City	Home Phone	Public Cell	EMAIL
Senator	Lyle	Hillyard	R	25	Logan	(435) 753-0043		<a href="mailto:lhillyard@utahsenate.org">lhillyard@utahsenate.org</a>
Senator	Scott	Jenkins	R	20	Plain City	(801) 731-5120		<a href="mailto:sjenkins@utahsenate.org">sjenkins@utahsenate.org</a>
Senator	Patricia	Jones	D	4	Holladay	(801) 322-5722		<a href="mailto:pjones@utahsenate.org">pjones@utahsenate.org</a>
Senator	Peter	Knudson	R	17	Brigham City	(435) 723-2035	435-730-4569	<a href="mailto:pknudson@utahsenate.org">pknudson@utahsenate.org</a>
Senator	Ben	McAdams	D	2	Salt Lake City	(801) 618-1946	801-618-1946	<a href="mailto:bmcadams@utahsenate.org">bmcadams@utahsenate.org</a>
Senator	Karen	Morgan	D	8	Salt Lake City	(801) 943-0067		<a href="mailto:kmorgan@utahsenate.org">kmorgan@utahsenate.org</a>
Senator	Wayne	Niederhauser	R	9	Sandy	(801) 742-1606		<a href="mailto:wniederhauser@utahsenate.org">wniederhauser@utahsenate.org</a>
Senator	Ross	Romero	D	7	Salt Lake City	(801) 364-2451	801-652-4687	<a href="mailto:romero@utahsenate.org">romero@utahsenate.org</a>

Senator	Dennis	Stowell	R	28	Parowan	(435) 477-8143	(435) 559-8143	<a href="mailto:dstowell@utahsenate.org">dstowell@utahsenate.org</a>
President	Michael	Waddoups	R	6	West Jordan	(801) 967-0225		<a href="mailto:waddoups@utahsenate.org">waddoups@utahsenate.org</a>
Rep	Melvin	Brown	R	53	Coalville	(435) 336-3309	(435) 901-1729	<a href="mailto:melbrown@utah.gov">melbrown@utah.gov</a>
Rep	Brad	Dee	R	11	Ogden	(801) 479-5495		<a href="mailto:bdee@utah.gov">bdee@utah.gov</a>
Rep	John	Dougall	R	27	American Fork	(801) 492-1365		<a href="mailto:jdougall@utah.gov">jdougall@utah.gov</a>
Rep	Greg	Hughes	R	51	Draper	(801) 572-5305		<a href="mailto:greghughes@utah.gov">greghughes@utah.gov</a>
Rep	Brian	King	D	28	Salt Lake City	(801) 583-5464	(81) 560-0769	<a href="mailto:briansking@utah.gov">briansking@utah.gov</a>
Rep	David	Litvack	D	26	Salt Lake City	(801) 596-0187	(801) 792-7172	<a href="mailto:dlitvack@utah.gov">dlitvack@utah.gov</a>
Speaker	Becky	Lockhart	R	64	Provo		(1801) 369-6784	<a href="mailto:blockhart@utah.gov">blockhart@utah.gov</a>
Rep	Ronda	Menlove	R	1	Garland	(435) 458-9115	(435) 760-2618	<a href="mailto:rmenlove@utah.gov">rmenlove@utah.gov</a>
Rep	Jen	Seelig	D	23	Salt Lake City	(801) 519-2544		<a href="mailto:jseelig@utah.gov">jseelig@utah.gov</a>
Rep	Christine	Watkins	D	69	Price	(435) 650-1969	(435) 650-1969	<a href="mailto:cwatkins@utah.gov">cwatkins@utah.gov</a>

Download the latest Excel list (perfect for mail merge!) [here](#).

## SB180 Headed to the House Floor

Senator Liljenquist's SB180 Medicaid Reform bill is headed to the House floor for a vote in the next several days. We are encouraged and optimistic with the response we have received from Senator Liljenquist and his efforts to include community partners' input moving forward with the much needed reform of Utah's Medicaid payment and service delivery system. We will be working closely with the Senator and our community partners to ensure that Medicaid Reform will be structured effectively to provide true cost containment, sustainability, and quality care for patients. For more information on SB180 [click here](#).

## 2. State Health Reform Front

**[HB354 1<sup>st</sup> Sub.](#) Insurance Amendments Relating to Abortion: Rep. Wimmer's last minute proposal to dodge federal reform guidelines and create barriers to a successful Exchange.**

HB354 prohibits insurance plans on the Exchange from covering abortion unless the abortion is medically necessary to avert the death of the woman; aborts a fetus with a diagnosable, lethal defect; or aborts a pregnancy that is the result of rape or incest. This bill was given substance just this past Monday (Feb. 28) and heard in and recommended out of the House Health and Human Services Committee on Tuesday (listen to the debate [here](#)). Rep. Wimmer's rationale for this bill is that this opts Utah out of having to fund abortions "if" federal reform isn't repealed and Utah's Exchange has to meet federal standards. (Federal standards for exchanges disallow the use of federal premium subsidies for plans that allow abortions, but do not prohibit those plans from being offered on exchanges.) Wimmer's legislation restricts the market more than the federal rules, and is unnecessary.

Utah's Health Exchange already faces significant challenges to increasing coverage for Utah's uninsured and has yet to bring premiums down for small businesses. HB354 bill is disruptive to the working of the Exchange. Following the ACA's prohibition of the use of subsidies for plans that cover abortion benefits, the state's Utah Premium Partnership program (UPP) implemented the restriction on the use of subsidies last summer, and as a result, 50% of insurance plans were dropped from the program. The proposed restriction will have a similarly adverse effect on the plans offered in the Exchange. It will raise premium prices in the Exchange because it will result in more high risk (costly) pregnancies that would otherwise be terminated for good reason. It also creates different regulations for insurance plans inside and out of the Exchange -never a good idea.

Visit Families USA's [Health Insurance Exchange Resources site](#) to learn more about the ACA's expectations for Exchanges.

Utah's Exchange does not need any more barriers to decreasing costs and increasing coverage for Utah's small businesses.



Contact your representatives and health reform leaders NOW to voice your opinion about this bill:

Click here to find your legislators: <http://le.utah.gov/GIS/findDistrict.jsp> (this works really well!).

During the weekday...

- Call Senators at (801) 538-1035. Toll free: (800) 613-0677.
- Call Representatives at (801) 538-1029 Toll Free: (800) 908-4261

If the switchboard does not patch you through, leave a message with your name and number and best time to reach you. In your message, say that **you are a constituent**. If you send email, mention that **you are a constituent** in the body of your brief message.

**Email:** [dclark@utah.gov](mailto:dclark@utah.gov)

**Home Phone:** 435-628-5108

**Email:** [jdunnigan@utah.gov](mailto:jdunnigan@utah.gov)

**Home Phone:** 801-968-8594

#### **Utah's Health System Reform and HB128**

[HB128](#), Health Reform Amendments (Rep. Dunnigan), passed the senate 23-0 on Friday, March 4. This bill moves Utah's own health system reform forward a few steps (see our short "History of Utah's Health Reform" [here](#)), building the framework for increased transparency in

Utah's Health Exchange. There's no denying that people who have access to health insurance need good information when making important decisions about what benefit plan will best serve their particular needs. But information alone is not enough. Health insurance needs to be affordable and accessible, too.

Does Utah's health system reform stand solidly on the three pillars of real, sustainable health reform – cost, quality, and access? Not from the angle of [Utah's Health Exchange](#), Utah's key to reform. So far, the Exchange operates as a web-portal small business owners can use to buy health insurance for their employees, and their employees can use to choose from among the benefit plans available in the Exchange (they aren't limited to a plan chosen by their employer). The state reform process has yet to realize *any* cost containment or increased access.

Federal reform (the ACA) includes provisions in exchanges to address not only quality, but the other 2 crucial pillars – cost and access. These include pooled risk, seamless enrollment into subsidies and public plans, and inclusion of the individual market. Utah's 67,000 small business owners and their employees don't just want information and choice – they want decent health insurance that is affordable. Utahns who buy on the individual market, including 140,000 self-employed Utahns, want access to affordable, quality health care too.

Utah's legislative session wraps up next week; it's time to move forward and find common ground between Utah's health system reform and the ACA (federal reform). Stay tuned...

#### **HB404 State Health Insurance Amendments**

[HB404](#), sponsored by Rep. Ipson, was debated and recommended out of the House Retirement and Independent Entities Interim Committee with a 4-3 vote last week. It is now on the House floor for a 2<sup>nd</sup> reading. HB404 requires the committee to coordinate its study of health benefits for state employees with the Health System Reform Task Force's study of the operations of the Exchange on issues such as quality of care, controlling expenditures, and provision of health insurance to state employees, retirees, and their families.

Debate on the bill was lively (listen to the debate [here](#)), with concerned parties weighing in on whether the study, which would consider pulling public employees into the Exchange in the future, was the right thing to do. Concerns raised included: 1) the progress of the current Exchange in lowering costs (it doesn't ...yet), and 2) that "dumping" 25,000 public employees into the Exchange (which currently covers 2,181 lives) is a ruse to make Utah's Exchange look successful. This highlights the fact, discussed above, that Utah's health system reform needs to address cost and access, not just quality.

### **3. Federal Health Reform Updates**

#### **National Governors Association Semiannual Meeting in Washington D.C.**

This week President Obama addressed governors from across the country at the National Governors Association meeting. He repeated his message that he is not willing to refight the health care reform fight! States are encouraged to innovate ideas for implementation and the

President said that he supports legislation allowing states to apply for “State Innovation Waivers” *starting in 2014*, 3 years ahead of the original schedule for waivers in the ACA. This means that states can “opt out” of the ACA and implement their own version of health reform. Under the waivers, states must show that their plans provide coverage that is at least as comprehensive and affordable as the coverage offered through the federal standards for exchanges – a new competitive, private health insurance marketplace. State innovation must:

- make coverage at least as affordable as it would have been through the exchanges
- provide coverage to at least as many residents as the Affordable Care Act would have provided
- not increase the Federal deficit.

**It’s clear that Utah has a long way to go to meet these requirements**, and this may be why Gov. Herbert also spoke at the NGA meeting – against federal health reform requirements. To learn more about Obama’s expectations for states seeking comprehensive waivers from the ACA, see [recent article from Congressional Quarterly](#).

### **Defining “Essential Care” Benefits**

This week starts the much anticipated rule writing process for defining the “Essential Care Package” referred to in the ACA: the list of basic medical services that health plans must cover under the law. The legislation includes 10 categories of care that plans must provide for beneficiaries to be covered through the health insurance exchanges that are coming on line in 2014. The law purposely left the details up to regulators, who are now starting to develop the rules.

The 10 general categories of benefits that the health law considers essential are listed below. Some services within each could trigger debate as regulators develop rules governing insurance plans that will be sold on the exchanges.

1. Ambulatory patient services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and substance-abuse disorders
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including oral and vision care

As noted in Kaiser Health News, “The Obama administration faces a tough balancing act: the benefits package must be broad enough to be comprehensive but not too broad as to be unaffordable.” Stay tuned...

Judge Roger Vinson of Federal District Court in Pensacola stayed his own ruling against the Obama health care law last Thursday, affirming the act as law of the land as the case progresses through the Courts of Appeal and on to the Supreme Court.

For details, see recent stories:

- [Health Overhaul Is Given Reprieve](#), *Wall Street Journal*, by Brent Kendall
- [Judge Roger Vinson Issues Stay Of Own Ruling](#), *Politico*, by Jennifer Haberkorn

#### **4. Health Bill Tracker for Week 7/Final Week!**

Be sure to check out this week's Health Bill Tracker [here](#).

#### **5. Caucus Clips (New Section!)**

*During the lunch break every Tuesday and Thursday through the session, legislators gather into their 4 caucuses (by house and party) to informally discuss issues and priorities. Thanks to our wonderful interns (a shout out to Fraser Nelson's MPA nonprofit advocacy class, and interns Stephen Fetzer Lyon and Jen Bowman!) UHPP proudly presents these clips from the caucus meetings...*

##### **House Democrats' Caucus (March 1)**

The representatives did not discuss any health-related issues, but they did mention that the organ transplant issue isn't yet back-filled in the Republican's budget.

In his Leader's Report, Rep. Litvack gave a brief overview of the current status of the budget. The House and Senate Democrats submitted their budget to the majority party on Monday and believe that sifting will begin at the end of the day on Wednesday.

The representatives agree that HB451 (the bill that diverts 40% of tobacco settlement funds from the permanent state trust fund to the General Fund) is going to pass.

The representatives spent the majority of their time discussing HCR14 (this concurrent resolution of the Legislature and the Governor condemns the closed process used in issuing Secretarial Order Number 3310) and modifications to Sales and Use Tax. The wording of HCR14 seemed to be the focus of their debate; many of the representatives (such as Rep. Fisher and Rep. Chavez-Houck) seemed to be wary of the word "condemn," but they agreed to back the bill due to the consensus that congress is using the controversy to block any further discussions.

Steve Erickson and Linda Hilton of Crossroads Urban Center addressed SB270, which amends the Revenue and Taxation title to address the taxation of food and food ingredients and make related adjustments to revenue allocations. Legislators should look at tax exemptions (legal, accounting, real estate), they said, before they increase taxes on food. Erickson and Hilton

believe that HB282, which increases sales tax on food, is friendlier than SB270.

Two-thirds of the way through the caucus, the Republicans delivered their draft of the budget (see the budget [here](#)). The meeting adjourned before any discussion could follow.

## 6. Important Announcements

### **Federal Exchange Standards and Utah: A Conference Call with Joel Ario, HHS Exchange Director**

When: **March 23<sup>rd</sup> at 9:00-10:00 AM** (mtn)

We are as surprised as you are to learn that Mr. Ario, HHS official over exchanges, feels that Utah has a “valid model” for Exchanges. [Read more](#).

While Utah’s Exchange is on the right track, it has yet to

- allow small businesses to pool their risk
- deliver lower prices for small businesses, the engine of Utah’s economy
- create affordability standards with triggers to premium assistance and public programs.

This is important because small business owners really care about the quality and cost of benefits for their employees.

On the call Mr. Ario will clarify his appraisal of Utah’s Exchanges and his expectations for Utah’s Exchange moving forward.

To RSVP, please send email with complete contact info to [kim@healthpolicyproject.org](mailto:kim@healthpolicyproject.org). This conference call is closed to members of the media. SPACE WILL BE LIMITED. To participate, you must sign up by March 22, 12 noon.

### **Free and Open to the Public! Panel Discussion of Federal Health Reform**

“Transformation of Health Care Delivery Under Health Care Reform: Prospects and Challenges”

When: **April 1, 2011** (no foolin’)

12:00 noon - 1:30 pm

Gould Auditorium, Marriott Library, The University of Utah ([see map](#))

The goals of health care reform of generating near-universal access at affordable cost, while also improving quality of care, will require transformation of health care delivery and finance. To what extent does health care reform, as currently configured, hold the prospects for such transformation of delivery of care? What are the lingering challenges? Three internationally recognized expert panelists will address these issues, with expert commentary by one of the most prominent figures on the stage of health care policy of the 20th century, Philip R. Lee.

**Featured Panelists:**

[Kevin Grumbach](#), M.D., Professor and Chair of the Department of Family and Community Medicine at the University of California, San Francisco and Chief of Family and Community Medicine at San Francisco General Hospital

[Richard J. Sperry](#), M.D. Ph.D., Governor Scott M. Matheson Presidential Endowed Chair in Health Policy and Management, Director of the Matheson Center for Health Care Studies, Professor of Anesthesiology and Associate Vice President of Health Sciences at the University of Utah

[Lucy Savitz](#), Ph.D. M.B.A., Director of Research and Education at the Institute for Health Care Delivery Research of Intermountain Healthcare, Associate Professor of Clinical Epidemiology, and Adjunct Associate Professor of Nursing and Pediatrics at Family & Preventive Medicine, and Director of CCTS Community Engagement Core at the University of Utah

**Moderator:** [Robert Huefner](#), Doctor of Business Administration, Professor Emeritus at the University of Utah

**7. End-of Session Tips for Advocates**

**Health Action Calendar**

Keep track of health-related events happening during the session. UHPP's [Health Action Calendar](#) has dates, time, and information. Please join us for weekly meetings of Utah Medicaid Partnership and U-SHARE (Health Reform Coalition): **every Wednesday 1:15-2:00 PM, Olmstead Room of East Capitol Bldg.** A wonderful chance to compare notes and coordinate strategy on the many Medicaid, CHIP, and health reform issues for the Session.

**Prepare to Thank Legislators!**

As the Session comes to a close on Thursday, you might want to thank legislators for their efforts to maintain Medicaid, continue on the path of reform, and anything else that deserves commendation. To download the latest legislator contact sheet, click [here](#).

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