

Herbert hopes for Utah Medicaid deal by summer



By [MICHELLE L. PRICE](#)
Associated Press

Published: Thursday, Mar. 27, 2014 - 3:49 pm

SALT LAKE CITY -- Gov. Gary Herbert hopes to reach a deal with federal officials on Medicaid expansion by summer, the governor said Thursday at his monthly televised news conference on KUED.

Herbert sent staff to Washington, D.C., last week to start negotiations on his alternative plan to cover thousands of low-income Utah residents in the private market instead of the government program.

"It was not the first step but certainly the continuation of our first steps we've made, and I feel very optimistic how we've been received," he said of the early talks. "There's clearly a growing understanding in the Obama administration in the need for states to have more flexibility."

Herbert is seeking a chunk of federal money for a three-year pilot program to pay for about 110,000 people to buy private [health insurance](#).

Utah's Department of Health estimates the program would use \$250 million in federal money the first year and grow to about \$280 million in the third year.

Herbert, a Republican, has not outlined the specifics about his proposal and how much flexibility he's seeking.

Under President Barack Obama's health care law, the federal government is offering to pick up the full cost through 2016 for states that expand eligibility for their Medicaid programs to people earning up to 138 percent of the federal [poverty level](#). After that, reimbursement levels will gradually fall to 90 percent by 2020.

The Obama administration has approved "private option" plans similar to Herbert's in states like Arkansas, but with some restrictions.

Herbert said Thursday that federal officials seem prepared to offer "at least the flexibility they've given to other states and more."

But he acknowledged that some of his broader goals, such as requiring program participants to work and help pay for their coverage, "are probably areas of negotiation."

It's not surprising that federal officials might be resistant to those terms, said RyLee Stowell Curtis, a Medicaid policy analyst with the Utah Health Policy Project, a nonprofit that advocates for affordable [health coverage](#).

"They've never really been too flexible when it comes to work requirements," she said.

A requirement to work in order to receive [health coverage](#) could be problematic for people who can't work but are awaiting a disability determination, she said.

Curtis said negotiations over cost sharing with enrollees might look similar to a plan approved in Iowa. Federal officials said Iowa could charge small monthly premiums to people with incomes between 50 and 100 percent of the federal [poverty line](#), but those people cannot lose coverage if they don't pay.

It's unclear what level of cost sharing Herbert is specifically proposing, but he has said he believes that if participants can help pay costs, they should.

The Centers for Medicare and [Medicaid Services](#) has declined to comment on pending discussions with Utah.

Herbert said he's "cautiously optimistic" a deal will be reached as they continue talks during the next weeks and months.

The governor is traveling to Washington in April to continue talks. His personal goal is to have a deal together by summer, Herbert said.

Any agreement with federal officials will have to be approved by Utah's Republican-controlled Legislature, which is generally opposed to the health care law and expanding the government program.

There is no deadline to approve a plan, but Democrats and other advocates for expansion note Utah is losing out on millions in federal money.

For [Richard Anderson](#) of Taylorsville, every month that eligibility for Medicaid isn't expanded means another month he has to ration his [prescription medications](#).

Anderson, 53, has a chronic [pain disorder](#) that prevents him from being able to work. He was denied disability status once and is reapplying. But as a single man without children, he's currently ineligible for Medicaid. Without any insurance, his prescriptions cost about \$200 to \$250 a month.

"Currently, I have to pick which medications I can afford," he said. "As a result, I wind up having to try to stretch my medications."

Anderson said he could not afford to fill a prescription for muscle spasm recently and has been suffering from painful spasms.

"It's not a very pleasant way to live," he said.

- [Read more articles by MICHELLE L. PRICE](#)

Read more here: <http://www.sacbee.com/2014/03/27/6274227/herbert-hopes-for-utah-medicaid.html#storylink=cpy>