UTAH HEALTH POLICY PROJECT



HEALTH MATTERS

Health Matters Emergency Special Session Edition (Hold Medicaid Harmless!)

September 24, 2008

- 1. <u>Special Session Thursday and Friday to Make Cuts in Medicaid.</u> <u>Contact Your Legislator Today and Tell Them How Important Medicaid is to the Health of Utah!</u>
- 2. Special Session Calendar
- 3. Sign-on Letter: Utah's Economy needs a Strong Medicaid Program. Sign Now!
- 4. <u>Monthly Meeting, October 1: Recap of Special Session Budget cuts, obesity awareness</u> presentation by special guest Dr. David Sundwall.

1. Special Legislative Session this Thursday and Friday

The Utah State Legislature will be meeting in Special Session on Thursday and Friday, September 25-26, 2008 to cut \$272 million from state agency budgets. Medicaid and health and human service programs are at risk for losing significant funding. Please contact members of the Health and Human Services Appropriations Committee, the Executive Appropriations Committee, and your own legislators. Tell them how important these programs are to you. You can find committee member and your legislators by clicking http://www.healthpolicyproject.org/Publications files/legislative/UtahLegislators1-22-08public.xls

Talking Points about Medicaid:

- Medicaid should be held harmless in the current budget crisis
- Medicaid provides an important safety net for Utah families as they work to find new jobs and regain financial stability.
- Medicaid has a tremendous 'multiplier effect' of on the economy as a whole. For every dollar the state spends, the Feds kick in three dollars into our state. This "extra" money will help Utah rebound from this recession.
- If Utah cuts \$10 million from Medicaid this will mean a loss of \$25 million in Federal money.

2. Special Session Calendar

Thursday, September 25, 2008

8:00 am—<u>Executive Appropriations (Rm C445)</u>
10:30am—<u>Health and Human Services Appropriations (Rm C250)</u>
10:30am—Commerce and Workforce Services Appropriations (W325)

3. Sign-on to Protect Medicaid:

The following letter asks legislators to protect Medicaid during these budget cuts. You or your organization can help by signing on. To add your name please email lincoln@healthpolicyproject.org

Dear Representative Bigelow, Senator Hillyard, Senator Christensen, and Representative Newbold:

As you and your colleagues weigh the difficult budget decisions before you, we hope you will consider giving Medicaid special dispensation. You and your colleagues wisely made a commitment to health system reform at the state level. Medicaid is a proven tool for covering low-income uninsured and helping them manage their health in the most cost-effective manner possible. As such, it should be *further* optimized, not downsized, in these tough economic times.

Not only does Medicaid provide health insurance to Utah's most vulnerable children, pregnant women, working families, seniors, and people with disabilities, it brings millions of dollars into Utah, stimulating our economy in measurable ways. For this reason, we believe cutting Medicaid is exactly the wrong approach to addressing the state's revenue challenges. Based on the benefits of Medicaid spending for Utah's economic recovery, we suggest limiting the Medicaid cuts to no more than 1%. For the rest, please consider a modest level of bonding or the Rainy Day Fund.

For every dollar Utah spends on Medicaid, the Federal government provides three additional dollars. While a 3% or 5% cut will "save" the state 10 to 16 million in state dollars, it will mean a loss of 25 to 45 million dollars coming into the state. All told and including the broader 'multiplier' effect of Federal Medicaid spending, Medicaid cuts would end up costing the state more over the longer term than it will have saved over the short term.

Further, if the state limits access to Medicaid for families in need, the state will not be curtailing the need for health care: Instead of accessing primary and wellness care, people will use expensive emergency rooms where care is provided regardless of ability to pay. This will amount to a hidden tax increase that will be passed onto businesses and hospitals, who will in turn pass them on to all of us. This will delay our economic recovery even further.

We take pride in our state's reputation for sound fiscal management. The way to build on this reputation is by managing our budget crisis in ways that will preserve the health of our citizens *and* strengthen our economy. Rather than cutting Medicaid, Utah should take bold steps to make Medicaid more efficient and look for any additional savings in areas of the budget that will not have dire consequences for Utah families and their ability to contribute to economic recovery.

Sincerely,

4. Monthly Meeting, October 1—Recap of Special Session Budget cuts and more

On October 1st, the "Monthly Meeting" with the Department of Health (DOH) and Department of Workforce Services (DWS) will take a close look at ramifications of the special session and what services and programs are at risk. We will be meeting October 1st from 1:00-4:00pm at the Department of Workforce Services, 1385 South State St., Room 157.

DOH portion of Monthly Meeting DRAFT Agenda

- Recap of the Legislature's Special Session and budget cuts
- Dr. David Sundwall will present on the obesity pandemic
- Department of Health will present on the history and roles of the Pharmacy and Therapeutics (P&T) Committee and Drug Utilization Review Board (DUR).
- DUR prior authorization—The Department will provide an update on how DUR prior-authorization approval is being communicated to pharmacies.

You are receiving this email because you are on our Health Action mailing list. To subscribe or unsubscribe, email stacey@healthpolicyproject.org. We will always keep your email address confidential.



Internet services generously donated by Xmission