Healthy Utah
Medicaid Expansion in Utah

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Key Legislative Issues

• Medicaid Expansion/Healthy Utah
• Education Funding
• Prison Relocation
• Transportation Tax
June 2012: U.S. Supreme Court rules on the Affordable Care Act

November 2012: UDOH contracts with a firm to begin exploring costs of various expansion scenarios

April 2013: Medicaid Expansion Options Community Workgroup formed to explore expansion scenarios

September 2013: Workgroup presents options to Gov. Herbert

Fall 2013: Legislature’s Health Reform Task Force adopts its own principles concerning expansion
### Medicaid Coverage Gap

**Adults with or without Dependent Children Ages 19-64**

<table>
<thead>
<tr>
<th>Federal Poverty Level %</th>
<th>0%</th>
<th>50%</th>
<th>100%</th>
<th>133%</th>
<th>200%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Coverage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parents</td>
<td>[Coverage gap]</td>
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<tr>
<td>Adults without Dependent Children</td>
<td>[Coverage gap]</td>
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<tr>
<td>Healthy Utah 2.0</td>
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<td>Parents</td>
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- **Tax Credit Eligibility Minimum**
- **Available to 400% FPL**

- Current Parent Population on Medicaid
- Healthy Utah
- Tax Credits in Marketplace
## Expansion “Conditions”

<table>
<thead>
<tr>
<th>Provision</th>
<th>2013-2022 (in billions)</th>
</tr>
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<tbody>
<tr>
<td>Medicare taxes on higher income families</td>
<td>$318</td>
</tr>
<tr>
<td>“Cadillac tax” on high-cost plans</td>
<td>$111</td>
</tr>
<tr>
<td>Employer mandate</td>
<td>$106</td>
</tr>
<tr>
<td>Annual tax on health insurance providers</td>
<td>$102</td>
</tr>
<tr>
<td>Individual mandate</td>
<td>$55</td>
</tr>
<tr>
<td>Annual tax on drug manufacturers/importers</td>
<td>$34</td>
</tr>
<tr>
<td>Excise tax on medical device manufacturers/importers</td>
<td>$29</td>
</tr>
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</table>

### Calendar Year vs. Federal Match Rate

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Federal Match Rate</th>
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<tbody>
<tr>
<td>2014-2016</td>
<td>100%</td>
</tr>
<tr>
<td>2017</td>
<td>95%</td>
</tr>
<tr>
<td>2018</td>
<td>94%</td>
</tr>
<tr>
<td>2019</td>
<td>93%</td>
</tr>
<tr>
<td>2020 and beyond</td>
<td>90%</td>
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February 2014: Gov. Herbert publically unveils the Healthy Utah plan

April – October 2014: Governor’s Office and UDOH negotiate the specifics of the Healthy Utah plan with the U.S. Dept. of Health and Human Services, and with CMS to obtain preliminary approval of plan

December 2014: Gov. Herbert releases detailed Healthy Utah plan. Weeks later, Health Reform Task Force rejects the plan in favor of a new plan to cover only the medically frail
Healthy Utah

133% of 32,000 adults earn $15,521/yr
100% of 63,000 adults earn $11,670/yr

58% are under age 35
56% have a job or are self-employed
52% are women

- Recovers some taxes Utahns are already paying
- Premiums, copays, work effort benefit
- Employer-sponsored plans, private plans through Avenue H
- Kids can join parents’ plans, pilot program

Respect the Taxpayer
Promote Individual Responsibility
Support Private Markets
Maximize Flexibility
Healthy Utah

• Healthy Utah dominates much of the discussion for the first several weeks of the session.
  • Negotiations focus on how to fund the program and how long to operate it

• Sen. Brian Shiozawa introduces SB 164 – Access to Health Care Amendments
  • 2-year pilot costing $25 million
  • Covers 95,000 people in year one, 126,000 in year two
  • Provides full benefits through private plans

• Senate passes bill 21-8
Healthy Utah

• Despite overwhelming support in the Senate, House declares Healthy Utah DOA

• Bill is held for one week, before dying in the House Business and Labor Committee on a 4-9-1 vote

• That same night, the “Utah Cares” proposal is unveiled and passes through the Committee on a 9-4 vote
  • Covers fewer people, 42,000 the first year and 57,000 the second
  • Costs more, $77 million over two years
  • Some recipients get Medicaid, others get PCN

• House passes bill 56-18-1
Healthy Utah – Looking Ahead

So, where do we go from here?

Possible “Healthy Utah Cares” compromise?

Senate & House leadership, bill sponsors, Governor’s Office to form special committee to continue exploring options

Committed to calling a special session this summer, possibly in August, to pass a final bill
Questions?