

**MINUTES OF THE
HEALTH REFORM TASK FORCE**

Thursday, August 28, 2014 – 9:00 a.m. – Room 30 House Building

Members Present:

Sen. Allen M. Christensen, Senate Chair
Rep. James A. Dunnigan, House Chair
Sen. J. Stuart Adams
Sen. Gene Davis
Sen. Peter C. Knudson
Rep. Rebecca Chavez-Houck
Rep. Francis D. Gibson
Rep. Michael S. Kennedy
Rep. Marie H. Poulson
Rep. Dean Sanpei

Members Absent:

Rep. Rebecca P. Edwards

Staff Present:

Mr. Mark Andrews, Policy Analyst
Ms. Cathy Dupont, Associate General Counsel
Ms. Lori Rammell, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Task Force Business

Chair Christensen called the meeting to order at 9:21 a.m. Rep. Edwards was excused from the meeting.

MOTION: Sen. Adams moved to approve the minutes of the July 17, 2014, meeting. The motion passed unanimously with Rep. Gibson absent for the vote.

2. Medicaid Expansion — Options

Dr. W. David Patton, Executive Director, Utah Department of Health, and Mr. Nate Checketts, Health Policy and Reform Initiatives Coordinator, Utah Department of Health, presented “Healthy Utah Principles and Strategies.” Dr. Patton said that a proposed “work effort” requirement is essentially the last big hurdle that must be cleared for U.S. Department of Health and Human Services (HHS) approval of Governor Gary R. Herbert’s Healthy Utah Plan. He indicated that although HHS has rejected the requirement, the governor will continue seeking approval for it when he meets with HHS at the beginning of September. He indicated he doesn’t think the governor will bring a proposal without the work requirement to the Legislature, as long as the governor thinks such a requirement is legal.

Dr. Patton and Mr. Checketts also responded to questions from task force members regarding the expansion of Medicaid eligibility to persons with household incomes less than 138% of the federal poverty level (FPL). Dr. Patton indicated that under a 70/30 federal/state funding arrangement, the state could probably obtain HHS approval to expand Medicaid eligibility to almost any population under 138% FPL. He indicated, however, that HHS would not be sympathetic to an expansion that provided something less than a full benefits package.

Mr. Checketts reviewed “Demonstration Projects,” an excerpt from the United States Code explaining the conditions under which the HHS Secretary may waive certain requirements of federal Medicaid law.

3. Medicaid Expansion — Perspectives

Mr. Marc Bennett, Chief Executive Officer of *HealthInsight* and Cochair of the Salt Lake Chamber of Commerce Health Reform Task Force, indicated the chamber's task force believes the state should pursue the use of all available federal funds to develop a flexible, Utah-specific Medicaid expansion that:

- strengthens a competitive private insurance market;
- promotes accountability of those receiving assistance; and
- prevents the state from being left on the hook for ongoing benefits if the federal government becomes unable or unwilling to hold up its end of the bargain.

Mr. Andrew Croshaw, President of Leavitt Partners Consulting and Cochair of the Salt Lake Chamber of Commerce Health Reform Task Force, indicated the chamber's task force supports a measured expansion of Medicaid eligibility that:

- strengthens competition among health care providers, as well as insurers;
- creates an environment where rather than simply increasing the volume of services provided, health care providers compete on the basis of keeping people healthy;
- contributes to individual accountability; and
- protects the state should the federal government become unwilling or unable to be a funding partner.

Dr. Kyle Jones, family physician, University of Utah, related the story of an uninsured individual within the "coverage gap" as an illustration of the challenges faced by those unable to obtain health insurance. He encouraged the task force to do whatever is needed to provide insurance coverage to those who need it.

Ms. Charlotte Lawrence, a cancer patient, introduced her children and distributed "Q & A With Charlotte Lawrence." She described how she works two full-time low-paying jobs but is unable to either qualify for Medicaid or pay for the medical care she needs. She asked that the 99% of the population who are honest and are trying to do the right thing not be treated poorly because of the 1% of the population who are dishonest, want a handout, don't want to work, and don't want to make their lives better.

4. Medicaid Expansion — An Economic Analysis of the Governor's Healthy Utah Plan

Dr. Sven E. Wilson, Chief Economist for Notalys, discussed "The Economics of the Healthy Utah Plan: A Preliminary Analysis," which Notalys prepared under contract for Voices for Utah's Children. Dr. Wilson said he has not come up with a good reason to oppose the Healthy Utah Plan and that he believes the plan will promote economic and individual well-being. He said, "In the end, the crucial question here is not whether we can afford this plan or whether the financial risks are manageable or not. The question is whether those [living] lives [of quiet desperation] matter. The question is whether our democracy feels a moral obligation to provide at least a minimal safety net for those who are the least among us. If we do . . . then the Healthy Utah plan is an economically feasible way to strengthen the safety net, while at the same time promoting work and personal responsibility and strengthening our free market economy."

5. State Innovations Model Grant

Rep. Sanpei, Chair of the task force's Behavioral Health Workgroup, introduced Dr. Iona Thraen, Patient Safety Director, Utah Department of Health. Dr. Thraen distributed and discussed "USIM: Behavioral Health Integration." She reported on the department's July 21, 2014, application for a \$66 million State Innovations Model Round 2 grant under the federal Affordable Care Act. She explained the objectives of the grant and focused on the \$13.4 million component designed to integrate physical and behavioral health care services.

10. Adjourn

MOTION: Sen. Knudson moved to adjourn the meeting. The motion passed unanimously with Sen. Davis absent for the vote.

Chair Christensen adjourned the meeting at 11:10 a.m.