



Position Statement on Medicaid Expansion

The Utah Hospital Association (UHA), the leading association in Utah's diverse healthcare industry, represents member hospitals and healthcare systems in the State of Utah. UHA appreciates Governor Herbert's and the Legislature's efforts to carefully evaluate the impact of Medicaid expansion on the people of Utah and on Utah's future fiscal health.

After careful consideration, UHA supports a limited and balanced approach on Medicaid expansion and would support the following:

1. Expand Medicaid for individuals who live on a wage that is up to 100% of the federal poverty level (FPL);
2. Institute a premium subsidy model for people with wages between 100% and 138% of FPL, and
3. Pursue a "block grant" under Section 1332 of the Affordable Care Act (which would likely not be available until 2017), which would authorize the State to manage the Medicaid program or program(s) developed in lieu of Medicaid.

As healthcare providers in, and members of the community, we have serious concerns about the unintended consequences of the ACA-defined "full expansion" option, which would provide Medicaid-level benefits to Utahns who earn up to 138% of the poverty level. The unintended consequence of most concern is the potential loss of employer-sponsored health insurance (commonly known as "crowd out") if employers steer individuals to Medicaid to hold down their healthcare costs. UHA recognizes that people between 100% and 138% of the poverty level will have access to high-quality health plans through the federally subsidized health insurance exchange.

UHA respectfully recommends that Governor Herbert negotiate with federal officials to build a Utah model that would minimize the risk of "crowd out," minimize costs to the taxpayers of Utah, and provide coverage for uninsured people, especially those below 100% of the poverty level – those that will otherwise have no source of coverage.