

**CONCURRENT RESOLUTION ON FEDERAL
HEALTH CARE REFORM**

2010 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David Clark

Senate Sponsor: Wayne L. Niederhauser

LONG TITLE

General Description:

This concurrent resolution of the Legislature and Governor urges Congress to refuse to pass any health care legislation that contains certain provisions, urges Congress to pass health care legislation with specific provisions, and urges Congress, should it pass health reform legislation that further restricts states, to grandfather certain state laws, regulations, and practices.

Highlighted Provisions:

This resolution:

- ▶ urges Congress to refuse to enact, and the President of the United States to refuse to sign, any legislation that imposes further restrictions on any state's ability to regulate the payment and delivery of health care, imposes additional financial burden related to health care on any state, or limits the ability of consumers and businesses to create innovative models for higher quality, lower cost health care;

- ▶ urges Congress to pass, and the President to sign, legislation that grants states greater flexibility under federal laws and regulations related to health care and encourages states to create health reform demonstration projects with the potential for replication elsewhere; and

- ▶ urges that, should Congress pass, and the President sign, legislation that further restricts states in any manner, the legislation recognize states' efforts to reform



28 health care by grandfathering any state laws, regulations, or practices intended to contain costs,
29 improve quality, increase consumerism, or otherwise implement health system reform
30 concepts.

31 **Special Clauses:**

32 None



34 *Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:*

35 WHEREAS, people's health affects not only their sense of well being, but their capacity
36 to contribute to their families, to their employers, and to society at large;

37 WHEREAS, the improvement and maintenance of individual health depends to a
38 significant extent on the widespread availability of affordable, high quality health care;

39 WHEREAS, the widespread availability of affordable, high quality health care is
40 threatened by long-term runaway spending in a system that too often delivers suboptimal care;

41 WHEREAS, runaway spending and suboptimal care are attributable to various factors,
42 but are perpetuated to a large extent by a third-party payer system that fails to reward individual
43 effort to preserve and improve one's health and that fails to reward delivery of the most
44 effective care at the lowest cost;

45 WHEREAS, for many years, Utah has been laying the foundation for genuine long-term
46 health system reform;

47 WHEREAS, this foundation includes the creation of the Utah Health Data Authority in
48 1990 and the subsequent collection and publication of hospital charges by facility and adjusted
49 for risk;

50 WHEREAS, this foundation includes the establishment in 1993 of the Utah Health
51 Information Network, a nationally recognized statewide system for processing health insurance
52 claims at a small fraction of the cost often charged by other claims processors;

53 WHEREAS, this foundation includes the 2005 requirement that the Utah Health Data
54 Authority publish reports that compare health care facilities based on charges, quality, and
55 safety;

56 WHEREAS, this foundation includes the 2007-08 development of an all-payer database
57 that will report payments, as opposed to charges, for entire episodes of medical care, and will
58 ultimately allow consumers to choose from among competing providers of treatments for any

59 particular condition based on outcomes, price, and other attributes important to the consumer;

60 WHEREAS, this foundation includes the 2008-09 creation of the first statewide system
61 in the nation for standardized electronic exchange of clinical health information across provider
62 systems, including exchange of diagnostic test results and electronic medical record
63 information;

64 WHEREAS, this foundation includes the 2008 creation of the Health System Reform
65 Task Force, a legislative body that has engaged consumers, employers, doctors, hospitals, and
66 insurers in a voluntary, cooperative effort spanning two years, and involving thousands of
67 hours, to develop a strategic plan for health system reform;

68 WHEREAS, this foundation includes the 2009-10 creation of payment and delivery
69 reform demonstration projects designed to align third-party payment structures with provider
70 practices that result in the highest quality of care for both chronic and acute conditions;

71 WHEREAS, this foundation includes the 2009 creation of the nation's second-only
72 health insurance exchange, a virtual marketplace where employees may enroll under a defined
73 contribution arrangement, select from a range of plans broader than what an employer
74 traditionally offers, and fund premiums with contributions from multiple sources;

75 WHEREAS, this foundation outlined above is the result of an iterative process of
76 creation and refinement that has relied heavily on the input of all major stakeholders in the
77 health care system and has been established largely on the basis of cooperation and consensus
78 rather than compulsion;

79 WHEREAS, many of the perverse incentives that plague our health care system are
80 rooted in federal Medicare and Medicaid payment policies, which exert a disproportionate
81 influence on the privately funded portions of our health care system;

82 WHEREAS, federal proposals for health system reform recently considered by
83 Congress emphasize enrollment expansion rather than cost containment, much like boarding
84 additional passengers on an already sinking Titanic;

85 WHEREAS, those proposals include laudable authorizations for payment and delivery
86 reform demonstration projects but otherwise largely lack significant cost containment
87 provisions;

88 WHEREAS, those proposals include many provisions to improve quality of care but
89 fall short of the systemic changes needed to fully link outcomes and payment;

90 WHEREAS, states have consistently proven themselves laboratories of policy
91 innovation, in spite of sometimes stifling federal regulatory restrictions;

92 WHEREAS, the best hope for health system reform lies with individual states, where
93 an iterative process of experimentation, evaluation, and modification will minimize the
94 unintended consequences of one-size-fits-all national policies and will produce results worth
95 replicating; and

96 WHEREAS, states are in need of additional financial resources and flexibility to
97 experiment rather than additional benefit mandates, Medicaid eligibility mandates, and rating
98 restrictions, all of which will inevitably drive up health care spending and costs to states:

99 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the
100 Governor concurring therein, urge Congress to refuse to enact, and the President of the United
101 States to refuse to sign, any legislation that imposes further restrictions on any state's ability to
102 regulate the payment and delivery of health care, imposes additional financial burden related to
103 health care on any state, or limits the ability of consumers and businesses to create innovative
104 models for higher quality, lower cost health care.

105 BE IT FURTHER RESOLVED that the Legislature and the Governor urge that
106 Congress pass, and the President sign, legislation that grants states greater flexibility under
107 federal laws and regulations related to health care and encourages states to create health reform
108 demonstration projects with the potential for replication elsewhere.

109 BE IT FURTHER RESOLVED that the Legislature and the Governor urge that should
110 Congress pass, and the President sign, legislation that further restricts states in any manner, that
111 the legislation recognize states' efforts to reform health care by grandfathering any state laws,
112 regulations, or practices intended to contain costs, improve quality, increase consumerism, or
113 otherwise implement health system reform concepts.

114 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the Majority
115 Leader of the United States Senate, the Speaker of the United States House of Representatives,
116 the President of the United States, and the members of Utah's Congressional delegation.

Legislative Review Note
as of 1-22-10 5:04 PM

Office of Legislative Research and General Counsel