

1                   **CONCURRENT RESOLUTION ON THE PATIENT**  
2                   **PROTECTION AND AFFORDABLE CARE ACT AND STATE**  
3                   **HEALTH CARE REFORM**

4                   2013 GENERAL SESSION

5                   STATE OF UTAH

6                   **Chief Sponsor: Ken Ivory**

7                   Senate Sponsor: J. Stuart Adams

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9                   **LONG TITLE**

10                  **General Description:**

11                  This concurrent resolution describes the impacts of the federal Patient Protection and  
12 Affordable Care Act on Utah families, employers, insurers, health care providers, and  
13 the state, and urges actions to ensure the continued success of state-based health care  
14 innovation and reform.

15                  **Highlighted Provisions:**

16                  This resolution:

- 17                  ▶ describes the impacts of the federal Patient Protection and Affordable Care Act
- 18 (ACA) on Utah families, employers, insurers, health care providers, and the state;
- 19                  ▶ urges the state's Congressional delegation to continue its efforts to arrest the
- 20 devastating impacts of the ACA using all means possible, including repeal of the
- 21 act;
- 22                  ▶ urges Utah's Congressional delegation to work cooperatively with others to develop
- 23 workable alternatives to the ACA;
- 24                  ▶ affirms the state's policy that no person in this state should be required to either
- 25 sponsor or enroll in health insurance;
- 26                  ▶ urges the Legislature's Health Reform Task Force to continue working cooperatively
- 27 with the Governor's Office to ensure that ACA implementation rules address the



28 needs of Utah health care stakeholders;

29       ▶ urges all stakeholders in Utah's health care system to continue working

30 cooperatively to develop state-based health care reforms; and

31       ▶ specifies to whom this resolution should be sent.

32 **Special Clauses:**

33       None



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

36       WHEREAS, the federal Patient Protection and Affordable Care Act and its companion  
37 legislation, the Health Care and Education Reconciliation Act of 2010, referred to jointly as  
38 "the Affordable Care Act," "the ACA," or "Obamacare," were enacted in March 2010;

39       WHEREAS, under the ACA, Utah families, employers, manufacturers, and insurers  
40 will pay at least 18 new or increased taxes and fees that over 10 years will transfer \$500 billion  
41 from the private sector to the public sector, suppressing economic growth and reducing  
42 employment in the state;

43       WHEREAS, Utahns will suffer further reductions in employment growth and economic  
44 activity as employers comply with uncompensated regulatory burdens imposed by the ACA;

45       WHEREAS, Utah families will also pay more for goods and services as employers,  
46 insurers, and medical providers pass along various costs imposed by the ACA;

47       WHEREAS, health insurance premiums for certain younger, healthier Utahns will more  
48 than double in 2014 as the result of various ACA provisions, including a prohibition on  
49 medical underwriting and restrictions on the use of age-based premiums;

50       WHEREAS, the cost of insurance for many other Utah families will go up as well in  
51 response to ACA provisions that are known to drive up costs, including prohibitions on  
52 pre-existing condition exclusions, annual benefit limits, and lifetime benefit limits;

53       WHEREAS, the ACA will penalize Utah employers that have more than 50 employees  
54 if they do not offer health insurance to their employees, even if an employer cannot afford  
55 insurance or chooses instead to compensate employees with higher wages, larger retirement  
56 contributions, or other employee benefits;

57       WHEREAS, working Utah families will have fewer full-time employment  
58 opportunities as employers replace full-time workers with part-time workers to avoid ACA

59 penalties;

60 WHEREAS, some Utah families will be unable to keep their current health insurance  
61 and may have fewer options as employers abandon plans not meeting minimum benefit and  
62 affordability requirements in order to avoid ACA penalties;

63 WHEREAS, working Utah families will find it even harder to secure employment with  
64 health insurance benefits as premium increases continue unabated in response to both the ACA  
65 and long-term cost drivers not addressed by the ACA;

66 WHEREAS, many Utahns will face increased premiums as their insurers attempt to  
67 fund \$81 million in losses created by the ACA's transfer of individuals from publicly funded  
68 high-risk pools to the private insurance market;

69 WHEREAS, many Utah families with insurance offered by small or midsize employers  
70 could be threatened with higher premiums or no insurance at all if commercial insurance risk  
71 increases too much as the result of employers dropping coverage or switching to self-insurance  
72 arrangements;

73 WHEREAS, Utah families who lose employer-sponsored coverage under the ACA may  
74 find exchange plans unaffordable because federal premium and cost sharing subsidies are based  
75 on 70/30 plans for single, not family, coverage;

76 WHEREAS, there is a high likelihood that many Utah families will experience higher  
77 premiums due to the ACA's minimum benefit requirements, which threaten to ratchet up plan  
78 costs both inside and outside health insurance exchanges;

79 WHEREAS, Utah families will pay higher insurance premiums because of ACA  
80 provisions that subsidize states with high-cost, poorly managed health care plans at the expense  
81 of states like Utah that have low-cost, better managed plans;

82 WHEREAS, Utah seniors will likely have fewer care options due to Medicare provider  
83 payment reductions made by the ACA;

84 WHEREAS, Medicaid enrollees will likely have greater difficulty making appointments  
85 with health care providers as Medicaid enrollment expands under the ACA, particularly after  
86 the two-year enhanced reimbursement rate for primary care providers ends;

87 WHEREAS, Utah hospitals will suffer as a result of ACA reductions in funds paid to  
88 hospitals that serve a disproportionate number of low-income individuals;

89 WHEREAS, state funding for education, roads, public safety, and other important

90 services will be crowded by a \$46 million annual liability to pay for the ACA's mandatory  
91 Medicaid eligibility expansion;

92 WHEREAS, we and our children must one day pay the price for entitlements Congress  
93 has created but failed to realistically fund, including the ACA;

94 WHEREAS, that price already includes tax increases and cost shifting to our posterity,  
95 and will likely include benefit reductions and even currency devaluation;

96 WHEREAS, that price will tend to include the shifting of greater fiscal responsibility  
97 for government programs--including Medicaid--from Washington to the states, even further  
98 crowding out funding for education and other essential state services;

99 WHEREAS, the real cost of more Utahns having insurance under the ACA will be a far  
100 greater dependence on government, not less;

101 WHEREAS, under an optional Medicaid expansion the state would incur large,  
102 ongoing funding liabilities and both the state and its citizens would be more dependent, not less  
103 dependent, on a fiscally unsustainable federal government;

104 WHEREAS, Utah has refused to exacerbate the federal fiscal crisis by choosing not to  
105 implement the ACA's federally subsidized health insurance exchange, which makes people  
106 dependent on large government subsidies and gives priority to publically funded, rather than  
107 privately funded, coverage;

108 WHEREAS, because of the ACA, Utah employers, insurers, and health care providers  
109 will face more regulation, not less regulation, and will have fewer options, not more options,  
110 for addressing the underlying challenges faced by our health care system;

111 WHEREAS, notwithstanding the ACA's focus on preventive care and its  
112 acknowledgment of alternative payment and delivery systems, many Utahns will see little relief  
113 from premium increases driven by underlying problems the ACA fails to address, including  
114 reliance on payment and delivery systems that promote over consumption of health care;

115 WHEREAS, implementation of the ACA will tend to completely destroy the private  
116 market for health insurance and move families, insurers, and health care providers ever closer  
117 to a single-payer system of federally controlled health care;

118 WHEREAS, the state, its citizens, employers, insurers, and health care providers will  
119 all suffer as the ACA fails to bring unsustainable health care spending under control and  
120 metastasises instead into greater federal regulation and control of not just health care, but most

121 aspects of Utahns' and Americans' daily lives and activities;

122 WHEREAS, the ACA disregards state jurisdiction over health care policy and  
123 constrains the state's efforts to develop and implement meaningful health care reform; and

124 WHEREAS, the Legislature and the Governor believe that successful reform of health  
125 care's most vexing problems will require more--not less--state flexibility and innovation;

126 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the  
127 Governor concurring therein, urges the state's Congressional delegation to continue its efforts  
128 to arrest the devastating impacts of the ACA on Utah's economy, its citizens, its employers, its  
129 medical providers, and its insurers, using all means possible, including repeal of the act;

130 BE IT FURTHER RESOLVED that the Legislature and the Governor urge Utah's  
131 Congressional delegation to work cooperatively with other members of Congress and officials  
132 of this state and other states to develop workable alternatives to the ACA that encourage state  
133 innovation, preserve states' policy-making jurisdiction and regulatory authority, and lead to  
134 greater enrollment in affordable health insurance;

135 BE IT FURTHER RESOLVED that the Legislature and the Governor affirm by this  
136 resolution the state's policy that no person in this state should be required to either sponsor or  
137 enroll in health insurance, particularly under threat of federal penalty;

138 BE IT FURTHER RESOLVED that the Legislature and the Governor urge the  
139 Legislature's Health Reform Task Force to continue working cooperatively with the Governor's  
140 Office to ensure that ACA implementation rules address the needs of Utah families, employers,  
141 health care providers, insurers, and insurance regulators;

142 BE IT FURTHER RESOLVED that the Legislature and the Governor urge all  
143 stakeholders in Utah's health care system--including families, employers, health care providers,  
144 and insurers--to continue working cooperatively with the Governor and the Legislature to  
145 develop state-based health care reforms with the greatest potential for increasing consumerism,  
146 improving quality of care, constraining spending growth, and promoting enrollment in  
147 affordable health insurance, regardless of how ACA implementation unfolds;

148 BE IT FURTHER RESOLVED that this resolution be sent to the United States  
149 Secretary of Health and Human Services, the Governor, the Legislature's Health Reform Task  
150 Force, Utah's Congressional delegation, the Utah Health Policy Project and other consumer  
151 advocacy groups, the Salt Lake Chamber of Commerce and other employer associations, the

152 Utah Hospital Association, the Utah Medical Association, Utah insurers, the Utah Association  
153 of Health Underwriters, and the Speakers and Presidents presiding over the legislatures of each  
154 of the 49 other states.

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**Legislative Review Note**  
**as of 2-25-13 3:46 PM**

**Office of Legislative Research and General Counsel**