

1 **HEALTH CARE FREEDOM CONCURRENT RESOLUTION**

2 2017 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Daniel Hemmert**

5 House Sponsor: Michael S. Kennedy

6

7 **LONG TITLE**

8 **General Description:**

9 This concurrent resolution encourages the federal government to give states greater
10 control over Medicaid policies by providing Medicaid funding in the form of a federal
11 block grant.

12 **Highlighted Provisions:**

13 This resolution:

14 ▶ asserts that Utah is best suited to make decisions regarding Medicaid policy for the
15 residents of this state, including prioritizing state Medicaid spending to reflect the
16 unique needs of Utah and setting eligibility standards that reflect state priorities; and

17 ▶ calls upon the federal government to provide Medicaid funding through a federal
18 block grant that would give states greater flexibility to manage the state Medicaid
19 budget and tailor the program to meet state objectives.

20 **Special Clauses:**

21 None

22

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

24 WHEREAS, the American governing principles of self government and federalism
25 require that states, municipalities, and the private sector be empowered to pursue
26 community-driven solutions that reflect the will of the people;

27 WHEREAS, the pursuit of community-driven solutions has proven to be the most



28 effective way to create the elevated dialogue needed to find practical, sustainable solutions to
29 pressing issues that involve strong political disagreement;

30 WHEREAS, the federal government is not situated well geographically, politically, or
31 culturally to understand the specific health care needs of Utah families, individuals, and
32 businesses;

33 WHEREAS, total Medicaid spending in the United States in 2016 exceeded \$530
34 billion;

35 WHEREAS, the share of federal Medicaid funding provided to the states is determined
36 by a state-by-state matching percentage, and the actual amount of federal funds sent to the
37 states is determined by how much states spend in order to get those matching dollars;

38 WHEREAS, Medicaid policy is heavily controlled by the federal government, requiring
39 states to apply for waivers if they want the flexibility to reform Medicaid programs to better
40 meet state needs;

41 WHEREAS, states are encouraged to expand Medicaid programs and spend more to get
42 additional federal funds;

43 WHEREAS, the United States Government Accountability Office projects that
44 Medicaid spending will grow by 224% between 2007 and 2032, and at the same time,
45 Medicare and Social Security will put significant pressure on the federal budget;

46 WHEREAS, these cost trends and projections for Medicaid, Medicare, and Social
47 Security are unsustainable and will likely lead to difficult cost shifting in the Medicaid program
48 from the federal government to the states, which will result in states struggling to support their
49 individual Medicaid programs without meaningful control over the policy;

50 WHEREAS, current Medicaid funding arrangements fail to reward states based on
51 performance, but give states additional funding based on outright government appropriations;

52 WHEREAS, Medicaid growth is fueled by an interest in gaining additional federal
53 funding, which also makes reductions in state Medicaid spending more difficult due to the
54 accompanying loss of federal funding;

55 WHEREAS, welfare reform changed the way states managed welfare programs by
56 giving states performance expectations, more policy control, and a fixed amount of money each
57 year;

58 WHEREAS, because welfare reform has proven to be a success since its passage more

59 than 20 years ago, states should ask for a similar arrangement with Medicaid that would give
60 states more policy flexibility, fixed state funding, and broad performance goals; and

61 WHEREAS, federal funding for the Children's Health Insurance Program (CHIP) is
62 allocated to states based on a matching rate up to a total fixed amount of federal funding
63 determined by state need, providing clear precedent for giving states greater latitude in setting
64 eligibility standards and a fixed amount of funding for similar programs:

65 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the
66 Governor concurring therein, maintains that Utah is best suited to make decisions regarding
67 Medicaid policy for the residents of this state, including prioritizing state Medicaid spending to
68 reflect the unique needs of Utah and setting eligibility standards that reflect state priorities.

69 BE IT FURTHER RESOLVED that the Legislature and the Governor call upon the
70 federal government to provide Medicaid funding through a federal block grant that would give
71 states greater flexibility to manage the state Medicaid budget and tailor the program to meet
72 state objectives.

73 BE IT FURTHER RESOLVED that copies of this resolution be sent to Utah's
74 congressional delegation, the President of the United States, the Speaker of the United States
75 House of Representatives, the Majority Leader of the United States Senate, and the Secretary of
76 the United States Department of Health and Human Services.

Legislative Review Note
Office of Legislative Research and General Counsel