

Senator Daniel Hemmert proposes the following substitute bill:

HEALTH CARE FREEDOM CONCURRENT RESOLUTION

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel Hemmert

House Sponsor: Michael S. Kennedy

LONG TITLE

General Description:

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

Highlighted Provisions:

This resolution:

- ▶ asserts that Utah is best suited to make decisions regarding Medicaid policy for the residents of this state, including prioritizing state Medicaid spending to reflect the unique needs of Utah and setting eligibility standards that reflect state priorities; and
- ▶ calls upon the federal government to provide Medicaid funding through a federal block grant that would give states greater flexibility to manage the state Medicaid budget and tailor the program to meet state objectives.

Special Clauses:

None

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

WHEREAS, the American governing principles of self government and federalism 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 Medicaid program started in 1965 and in 2016, provided
31 assistance to an average of over 310,000 Utah residents each month, of which 63% were
32 children;

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

36 WHEREAS, in 2016, total Medicaid spending in the United States exceeded \$530
37 billion and in the state of Utah exceeded \$2.5 billion;

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

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

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

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

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

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

55 WHEREAS, Medicaid growth is fueled by an interest in gaining additional federal
56 funding, which also makes reductions in state Medicaid spending more difficult due to the

57 accompanying loss of federal funding;

58 WHEREAS, welfare reform changed the way states managed welfare programs by
59 giving states performance expectations, more policy control, and a set amount of money each
60 year;

61 WHEREAS, because welfare reform has proven to be a success since its passage more
62 than 20 years ago, states should ask for a similar arrangement with Medicaid that would give
63 states more policy flexibility, a set state funding amount, and broad performance goals; and

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

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

72 BE IT FURTHER RESOLVED that the Legislature and the Governor call upon the
73 federal government to provide Medicaid funding through a federal block grant, including a per
74 capita allocation, and work with states to redesign the Medicaid program to give states greater
75 flexibility to manage the state Medicaid budget and tailor the program to meet state objectives.

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