UTAH DEPARTMENT OF HEALTH

Utah Health Status Update:

Healthy Utah Plan

June 2014

Long before the term "Obamacare" worked itself into the national lexicon, Utah leaders were looking for ways to reduce the number of uninsured residents in the state.

Providing access to high-quality, affordable health care for those who find such services beyond their reach has been a goal of Utah's current and past three governors.

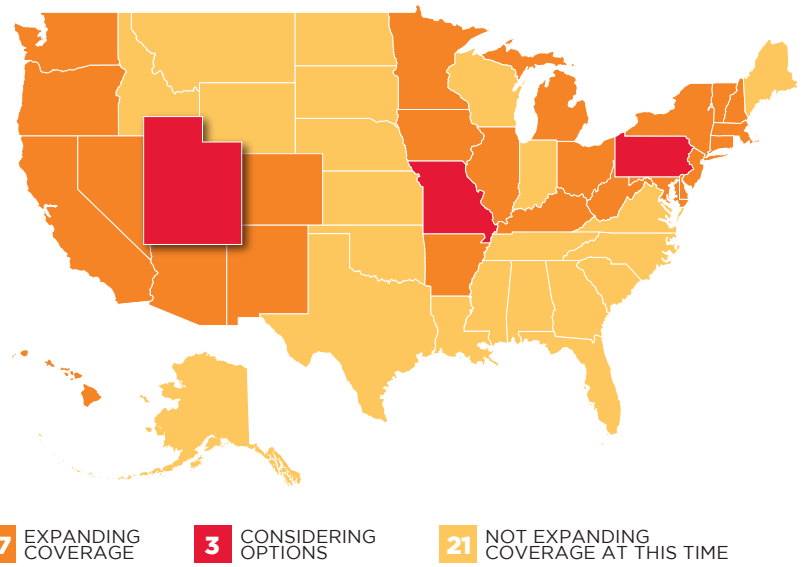
In recent years, and especially with the passage of the Patient Protection and Affordable Care Act (ACA), the conventional wisdom has been that expanding states' Medicaid programs was the best way to achieve this goal.

Under the ACA, states were directed to expand their Medicaid programs to higher-earning parents and to childless adults as a way of reducing the number of uninsured residents in their states. As incentive to expand, the federal government would cover the entire cost of a state's expansion from 2014–2016, then gradually reduce its contribution through 2017–2019, and finally settle at 90 percent funding for 2020 and any future years.

- **In Utah, Gov. Gary Herbert has proposed an alternative to an expansion of Medicaid called the Healthy Utah Plan.**
- **The Healthy Utah Plan would provide health insurance coverage for the approximately 111,000 Utahns who would have been covered by espanding Medicaid.**
- **The plan would utilize the federal Medicaid expansion dollars to purchase private health insurance coverage for those eligible.**
- **The plan is built around the governor's four guiding principles:**
  - » *Promote Individual Responsibility*
  - » *Support Private Markets*
  - » *Maximize Flexibility*
  - » *Respect the Taxpayer*

Medicaid Expansion: A National View

Figure 1. The 2012 Supreme Court ruling on the Affordable Care Act allows states to determine for themselves whether they will expand their Medicaid programs. The map below outlines the different approaches states are taking with regard to Medicaid expansion.



Source - http://www.advisory.com/daily-briefing/resources/primers/medicaidmap

In the summer of 2012, the Supreme Court ruled that the Medicaid expansion to these adults was optional. Many states have elected to expand their Medicaid programs; others have outright rejected the expansion, and three are still considering their options (Figure 1).

In Utah, Gov. Gary Herbert has proposed an alternative plan called Healthy Utah.

Healthy Utah would extend health insurance coverage to approximately 111,000 Utahns, the same amount of people as would be covered by Medicaid expansion, and would utilize the same favorable federal funding structure.

Approximately 54,000 of the new enrollees earn annual incomes of less than 100 percent of the federal poverty level (FPL), or $11,670 for an individual. The remaining 57,000 enrollees earn between 100 percent and 133 percent of FPL, or $15,521 annually (Figure 2).

But rather than enrolling those 111,000 people in traditional Medicaid, the funding would be used to purchase their health insurance coverage through the private marketplace.

The plan requires federal government approval, but a handful of other states have already received approval, or are in the process of receiving approval, to implement similar plans.

The plan is built around the governor's four guiding principles:

» ***Promote Individual Responsibility:*** Recipients will share in the costs of their health care. Higher-earning recipients will be responsible to help pay their premiums, and all recipients will pay modest co-payments. The plan will also require individuals who are able to work to either be employed or receiving job training in order to return to the workforce.

» ***Support Private Markets:*** Recipients will use federal dollars to purchase private health insurance. The plan will also seek to place adults on their employer-sponsored health insurance if it's available. It will also help families obtain coverage through a single plan by allowing families whose children are currently enrolled in Medicaid to enroll in the plan their parents select through Healthy Utah.

» ***Maximize Flexibility:*** The Healthy Utah Plan is seeking a fundamental shift in the state's relationship with the federal government. Medicaid has historically been a program that has received uncapped matching funds from the federal government.

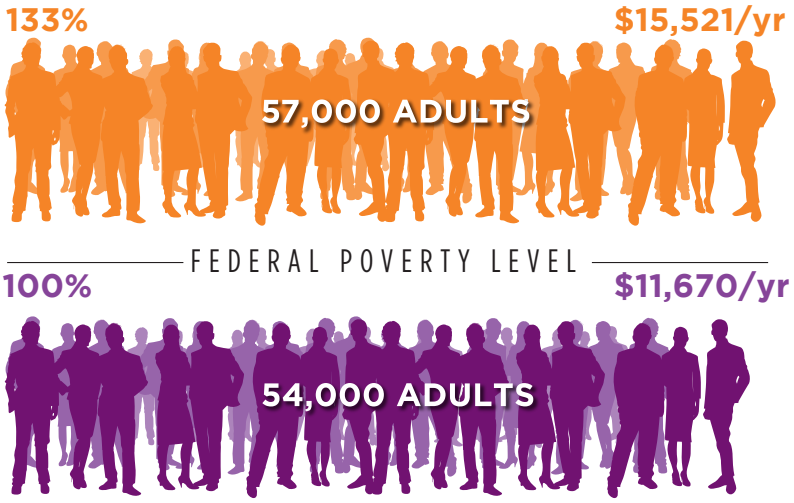
Healthy Utah will seek to negotiate some risk sharing with the federal government; if costs exceed estimates the state will assume some of that risk, however, the state may also be able to share in the savings if costs are below estimates.

» ***Respect the Taxpayer:*** Whether the state chooses to expand its Medicaid program or not, Utah taxpayers are already sending hundreds-of-millions of dollars to the federal government in the form of ACA taxes. Healthy Utah ensures the same amount of money will be returned to our state as would be returned under traditional Medicaid expansion.

Figure 3 highlights some of the key differences and similarities between the proposed Healthy Utah Plan and traditional Medicaid expansion.

Who Will Be Covered?

Figure 2. Approximately 111,000 Utahns will receive health care coverage under Gov. Herbert's Healthy Utah Plan. These individuals are adults between the ages of 19–64.



Healthy Utah vs. Full Medicaid Expansion

Figure 3. Side-by-side comparison of Healthy Utah and traditional Medicaid expansion.

	Healthy Utah	Full Medicaid Expansion
Utah Taxpayer Dollars Returned from Federal Government	Yes $258 million in matching funds in 2015	Yes $258 million in matching funds in 2015
Requires Federal Approval	Yes	No
Covered Population	Medically frail, parents, adults without dependent children	Medically frail, parents, adults without dependent children
Plan Benefits	Comprehensive health benefits	Comprehensive health benefits
Primarily Uses Traditional Medicaid to Provide Coverage	No	Yes
Requires Participant Cost Sharing	Under $11,600: Minimal $11,600-$15,500: 2 percent of income plus other cost sharing	Minimal
Supports Private Insurance Markets	Yes	No
Work Requirement for Participants	Yes	No
Medicaid Children Can Join Parents on Private Plan	Yes	No

June 2014 Utah Health Status Update

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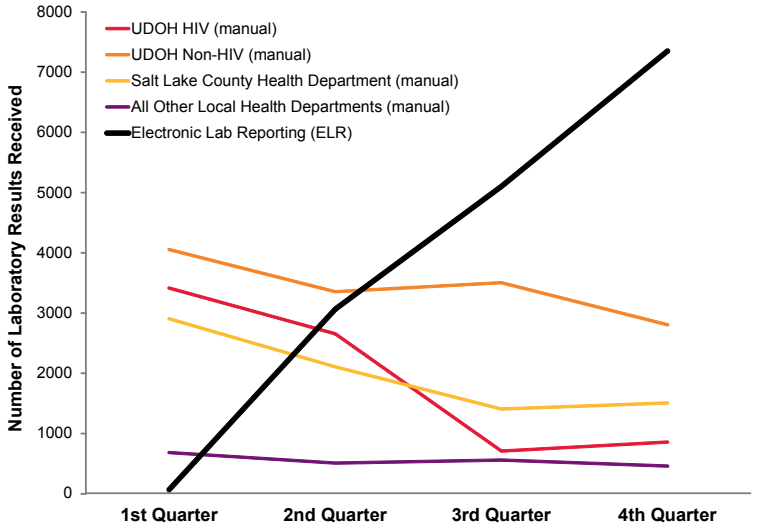
Breaking News, June 2014

Electronic Lab Reporting (ELR) Impact

Laboratory reports provide the main source of identification of communicable disease events in Utah. Traditionally, these have been reported via fax and entered into the surveillance database manually. Manual data entry not only takes personnel time, but during periods of high disease activity (such as influenza season) data entry may be delayed. Preliminary studies show that lab test data quality is improved when entered electronically.

Electronic Lab Reporting vs. Manual Data Entry, Utah, 2013



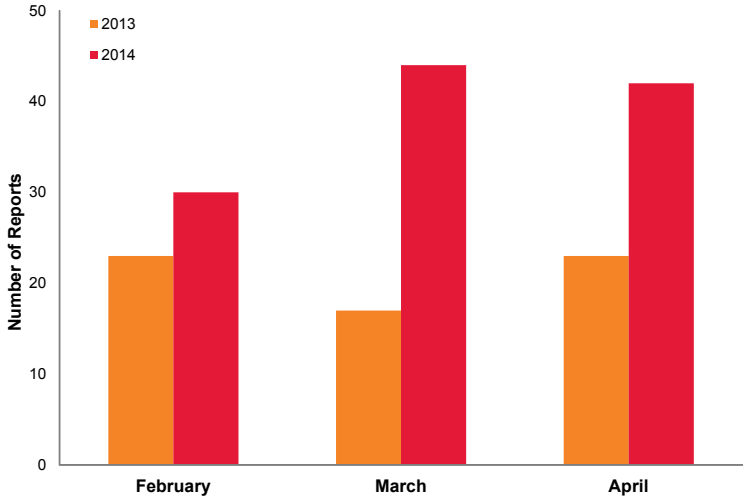
ELR was started in March of 2013 with one laboratory sending results. One additional lab was switched to ELR in August 2013. The transition is gradual—high volume tests are added first, then lower volume tests added later. The following graph displays the number of laboratory results entered via ELR into the surveillance database, and the associated reduction in manual data entry at the Utah Department of Health (UDOH), Salt Lake County Health Department (a major contributor to lab report data entry), and all other local health departments. The x-axis displays the four quarters of 2013, whereas the y-axis displays the number of laboratory results received. Currently, roughly 50% of incoming reportable labs are being entered automatically.

Community Health Indicators Spotlight, June 2014

igotsick Success Story

The majority of foodborne illnesses are not reported to public health because many people who become ill do not visit a doctor or receive a laboratory-confirmed diagnosis. On average, for every one case of foodborne illness that is reported, 38 others are unreported. By increasing the proportion of foodborne illnesses reported to public health earlier, response to foodborne outbreaks will be more timely and effective. On February 1, 2013, the Utah Department of Health (UDOH) implemented an online system, "igotsick" (igotsick.health.utah.gov) to facilitate reporting of foodborne illness. As shown in Figure 1, despite little publicity, the system is being utilized more and more, providing evidence of its value and accessibility in the community.

igotsick Reports Received from February–April, 2013 Compared to February–April, 2014



Through this project, UDOH has enhanced relationships with other agencies and provided a useful tool that is improving identification and response to illness. UDOH, the Utah Department of Agriculture and Food, and all 12 local health departments in Utah are currently working together to utilize this system and finding value in the data it provides. For example, the Salt Lake County Health Department (SLCHD) now receives about 40% of their foodborne illness complaints through this system. Since implementation of "igotsick", SLCHD has investigated 14 different restaurants, completed 10 follow-up interviews, and discovered an outbreak of Norovirus affecting 19 students. As more people become aware of and send reports to the "igotsick" website, public health will better be able to respond to potential foodborne outbreaks. This will lead to better health for all Utahns.

Monthly Health Indicators Report

(Data Through April 2014)

Monthly Report of Notifiable Diseases, April 2014	Current Month # Cases	Current Month # Expected Cases (5-yr average)	# Cases YTD	# Expected YTD (5-yr average)	YTD Standard Morbidity Ratio (obs/exp)
Campylobacteriosis (Campylobacter)	22	32	117	104	1.1
Shiga toxin-producing Escherichia coli (E. coli)	6	3	13	14	0.9
Hepatitis A (infectious hepatitis)	0	1	2	3	0.7
Hepatitis B, acute infections (serum hepatitis)	0	0	2	4	0.5
Meningococcal Disease	0	1	1	2	0.4
Pertussis (Whooping Cough)	57	67	317	235	1.3
Salmonellosis (Salmonella)	42	29	117	84	1.4
Shigellosis (Shigella)	3	4	11	12	0.9
Varicella (Chickenpox)	16	40	81	182	0.4
Influenza*	Weekly updates at http://health.utah.gov/epi/diseases/flu				
Quarterly Report of Notifiable Diseases, 1st Qtr 2013	**Current Quarter # Cases**	**Current Quarter # Expected Cases (5-yr average)**	**# Cases YTD**	**# Expected YTD (5-yr average)**	**YTD Standard Morbidity Ratio (obs/exp)**
HIV/AIDS†	36	28	36	28	1.3
Chlamydia	2,105	1,779	2,105	1,779	1.2
Gonorrhea	314	93	314	93	3.4
Syphilis	12	9	12	9	1.4
Tuberculosis	5	8	5	8	0.6
Medicaid Expenditures (in Millions) for the Month of April 2014	**Current Month**	**Expected/ Budgeted‡ for Month**	**Fiscal YTD**	**Budgeted‡ Fiscal YTD**	**Variance - over (under) budget**
Capitated Mental Health	$ 12.5	$ 11.7	$ 118.7	$ 119.9	$ (1.2)
Inpatient Hospital	$ (2.1)	$ 0.0	$ 97.9	$ 127.7	$ (29.8)
Outpatient Hospital	$ 4.8	$ 5.8	$ 44.9	$ 59.2	$ (14.3)
Long Term Care	$ 16.7	$ 13.6	$ 137.7	$ 139.2	$ (1.6)
Pharmacy ‡	$ 9.3	$ 5.6	$ 91.1	$ 125.9	$ (34.9)
Physician/Osteo Services §	$ 4.9	$ 6.6	$ 46.8	$ 67.9	$ (21.1)
TOTAL HCF MEDICAID	$169.5	$170.2	$1,836.0	$1,841.1	$ (5.1)

Program Enrollment for the Month of April 2014	Current Month	Previous Month	% Change¶ From Previous Month	1 Year Ago	% Change¶ From 1 Year Ago
Medicaid	277,677	276,485	+0.4%	260,437	+6.6%
PCN (Primary Care Network)	11,914	12,531	-4.9%	9,298	+28.1%
CHIP (Children's Health Ins. Plan)	15,814	16,670	-5.1%	34,711	-54.4%
	Annual Visits			Annual Charges	
Health Care System Measures	**Number of Events**	**Rate per 100 Population**	**% Change¶ From Previous Year**	**Total Charges in Millions**	**% Change¶ From Previous Year**
Overall Hospitalizations (2012)	281,605	9.2%	-1.2%	$ 6,146.4	+5.6%
Non-maternity Hospitalizations (2012)	177,753	5.7%	-0.3%	$ 5,208.7	+6.1%
Emergency Department Encounters (2011)	665,925	22.5%	+1.8%	$ 1,309.5	+12.8%
Outpatient Surgery (2011)	376,054	12.7%	+2.5%	$ 1,878.5	+6.5%
Annual Community Health Measures	**Current Data Year**	**Number Affected**	**Percent/ Rate**	**% Change¶ From Previous Year**	**State Rank# (1 is best)**
Obesity (Adults 18+)	2012	476,400	24.3%	-0.5%	10 (2012)
Cigarette Smoking (Adults 18+)	2012	207,300	10.6%	-10.8%	1 (2012)
Influenza Immunization (Adults 65+)	2012	147,100	56.0%	-1.5%	40 (2012)
Health Insurance Coverage (Uninsured)	2012	376,600	13.2%	-1.5%	n/a
Motor Vehicle Traffic Crash Injury Deaths	2012	205	7.2 / 100,000	-16.8%	19 (2010)
Poisoning Deaths	2012	661	23.1 / 100,000	+15.6%	45 (2010)
Suicide Deaths	2012	545	19.1 / 100,000	+9.3%	45 (2010)
Diabetes Prevalence (Adults 18+)	2012	141,100	7.2%	+7.5%	14 (2012)
Poor Mental Health (Adults 18+)	2012	307,800	15.7%	-3.7%	12 (2012)
Coronary Heart Disease Deaths	2012	1,580	55.3 / 100,000	-3.4%	3 (2010)
All Cancer Deaths	2012	2,861	100.2 / 100,000	+3.3%	1 (2010)
Stroke Deaths	2012	793	27.8 / 100,000	+0.6%	17 (2010)
Births to Adolescents (Ages 15-17)	2012	668	10.4 / 1,000	-6.6%	11 (2011)
Early Prenatal Care	2012	38,829	75.5%	+1.0%	n/a
Infant Mortality	2012	248	4.8 / 1,000	-12.6%	10 (2010)
Childhood Immunization (4:3:1:3:3:1)	2012	40,000	74.9%	+5.3%	15 (2012)

* Influenza activity is minimal in Utah. Influenza-like illness activity is below baseline statewide. As of May 14, 2014, 812 influenza-associated hospitalizations have been reported to the UDOH. More information can be found at http://health.utah.gov/epi/diseases/flu.

† Diagnosed HIV infections, regardless of AIDS diagnosis.

‡ Includes only the gross pharmacy costs. Pharmacy Rebate and Pharmacy Part D amounts are excluded from this line item.

§ Physician/Osteo Services - Medicaid payments reported under Physician/Osteo Services does not include enhanced physician payments.

¶ % Change could be due to random variation.

State rank based on age-adjusted rates.

Notes: Data for notifiable diseases are preliminary and subject to change upon the completion of ongoing disease investigations. Active surveillance for West Nile virus has ended until the 2014 season.