

## Utah's Messy Road to Medicaid Expansion Phase 3: The Fallback Plan

This latest proposal includes a full Medicaid expansion up to 138% of the Federal Poverty Level, finally! It also contains the same housing support services from the per capita cap waiver, as well as an expansion of Targeted Adult Medicaid eligibility categories, which will expand the TAM program to an additional 7,000 enrollees.

Unfortunately, this Fallback Plan also contains many harmful barriers to care.

### **Work Reporting Requirements**

This is the same requirement that was approved in the April phase 1 "Bridge Plan", which would add a red tape burden to low-income Utahns who are overwhelmingly working already. Work requirements take a backwards approach, making health care contingent on employment-- when mountains of evidence show that access to care makes it easier to work.

### **Enrollment Limit**

This is the same cap on enrollment that was preemptively denied by CMS in August.

### **New monthly premiums**

This cost-sharing (\$20 for an individual and \$30 for a couple) will be another barrier to care for people newly eligible under full expansion. For those living close to the poverty line, even \$20 can be prohibitively expensive, and the paperwork and process involved in monthly payment can be an additional barrier. We already see this in the CHIP program, where failure to pay a monthly premium is the number one reason kids lose their care.

### **Increased penalties for non-emergent ER usage**

This proposal would triple the penalty for "improperly" using the emergency room from \$8 to \$25. This change is billed as a well-intentioned way to encourage people to prioritize more cost-effective alternatives like primary care and urgent care, instead of emergency rooms. However, there are better ways to address ER diversion upstream, rather than penalizing patients. Individuals seeking medical care are often not in a position to determine whether something is emergent.

The Fallback Plan waiver also includes other provisions, including requirements for enrollment in employer sponsored insurance if offered, a sunset provision that would repeal expansion if the federal match rate dips below 90%, waiving hospital presumptive eligibility, lockouts for intentional program violations, and waiving EPSDT benefits for 19 and 20-year-olds.

The state is also requesting the option to make changes to the program, including benefits and eligibility, if "cost savings are needed", which would roll back some of the positive proposals in this waiver, and expand on the more harmful provisions.