

The Salt Lake Tribune

Feds extend Utah's low-income health insurance network
Feds OK Primary Care Network until Nov. 15 as state decides whether to expand Medicaid.

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THE SALT LAKE TRIBUNE

PUBLISHED: JUNE 20, 2013 02:47PM

UPDATED: JUNE 20, 2013 11:21PM

Federal health officials have granted Utah a temporary extension of its Primary Care Network (PCN), a program that provides limited preventive health insurance to adults and children who don't qualify for Medicaid.

In a letter sent to the Utah Department of Health on Wednesday and obtained by The Salt Lake Tribune, the Centers for Medicaid and Medicare Services said the program can continue through Nov. 15 instead of ending June 30.

"This extension will allow the state additional time to consider options related to coverage in 2014," wrote Jennifer Ryan, acting director of the CMS Children and Adults Health Programs Group.

The letter isn't necessarily seen as a definitive end to the program, which provides nearly 25,000 Utahns with access to critical health care services, UDOH officials said Thursday.

Instead it is viewed as an acknowledgment that Utah has yet to decide whether to expand Medicaid in 2014 under the Affordable Care Act (ACA), UDOH Deputy Director Michael Hales said. The November date should allow time for Utah to complete its decision-making process before CMS issues a final ruling.

"At a minimum we know the program has authority through the middle of November," Hales said.

If PCN isn't renewed come fall, Utah would likely be allowed a transition window in which the program would continue so enrollees could find alternatives without any gaps in coverage.

"[That] usually ends up being six months," Hales said, keeping the program open at least through spring.

It seems unlikely that CMS would allow the program to continue. Guidelines for the new health care law issued by the agency in April said programs like PCN, which have limited benefits or enrollment waiting periods, "would not further the objectives of Medicaid."

Under the ACA, most Americans will be required to have insurance either through public programs or private insurance beginning in January.

The law allow states to expand Medicaid eligibility to provide coverage for more low-income citizens and legal residents and most PCN enrollees are expected to meet the new income rules.

But states can also opt-out of the expansion proposal, forcing PCN participants to find private insurance or go without. It's not clear what Gov. Gary Herbert will do, nor when he will make a decision.

Utah had asked federal officials to continue the \$8.8 million program — which is paid for with Medicaid dollars through a 30/70 state and federal split — for three more years. At the very least, the state hoped for a longer program extension to give PCN enrollees more time to navigate the changing health care landscape.

Utah's Republican-controlled Legislature has emphatically opposed expanding Medicaid, citing concerns over costs and doubts that the federal government will make good on its promise to cover most of the costs. Under the ACA, the feds will pay 100 percent of expansion costs through the first three years. After that, states must pay their share with those amounts capped at 10 percent of overall costs.

Advocates for the poor have said lawmaker concerns are unwarranted and point to a state-commissioned expansion analysis, which shows Utah could save as much \$131 million, even as it adds some 123,000 uninsured residents to Medicaid rolls over the next 10 years.

State officials should move to expand Medicaid, even if only while the feds foot the bill, to ensure that Utah's most vulnerable citizens continue to have access to health care, Lincoln Nehring, a policy analyst for the advocacy group Voices for Utah Children, said Thursday.

“Roughly 75 percent of PCN enrollees [live] below poverty and they're counting on the state to expand Medicaid so they can continue to have coverage,” he said. “For no additional costs ... we can make sure they have at least a three-year transition plan. I think that's what we need to start focusing on: How we make sure those people have a benefit come March or April, or whenever PCN ends.”

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Utah's Primary Care Network (PCN)

PCN was created to help low-income Utahns who don't qualify for Medicaid coverage.

It's open to adults ages 19 to 64, with or without children, who earn 150 percent of the poverty level.

The plan offers limited coverage, which includes doctor visits, prescriptions, dental care, vision care, immunizations and other services.

Enrollees pay an annual \$50 fee and cover the costs of copayments.

In fiscal 2012, 24,976 Utahns were enrolled. Of those, 13,705 were adults with kids and 11,271 were childless adults.

Source: Utah Department of Health

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