



# Advocacy

## ADVISORY

Vol.9 No. 19, October 26, 2009

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- Negotiators Continue to Weigh Public Option
- Congress Puts Pressure on Health Insurance Industry
- Senate Refuses Repeal of Medicare Payment Formula
- Poll Shows Americans Are Nervous About Health Reform
- Regional Updates

### HOT TOPICS FOR ADVOCACY IN THIS ISSUE

**THIS ISSUE** of the Advocacy Advisory will focus on topics of current interest to health care, including ongoing federal and state issues related to patient access, covering the uninsured, and reimbursements. The CHRISTUS position is consistent that health care dollars must be preserved in programs such as Medicare and Medicaid, as both of these programs these serve a vital function as part of the health care safety net for the uninsured and underserved population.

#### **Putting Care Within Reach:**

As one of the largest Catholic health care systems in the United States and because of our solid reputation among policymakers at all levels of government, CHRISTUS Health is uniquely positioned to lead in the effort to achieve meaningful and significant health care reform for this nation. Our efforts will be targeted at achieving objectives in support of the goal of universal coverage, and will include continuing to build effective relationships with legislators and members of the new Obama administration, equipping CHRISTUS leadership and associates with the tools needed to engage and participate in this important national debate, and working to build consensus and collaboration among other health care providers.

The national political scene promises change in 2009 and early indicators are that it will be a favorable time in which to work to achieve our goals. However, there remain significant challenges that CHRISTUS will work to help overcome as a primary feature of our campaign of **“Putting Care Within Reach.”** Success will require a profound commitment at every level of CHRISTUS Health, as we all work together in our individual communities and on a system-wide basis to promote a message of hope, change, and quality health care for every American.

#### **Current Climate and CHRISTUS Position:**

It is clear that health reform currently has the undivided attention of Congress. It is equally clear that the issue is divisive, not just between political parties, but also between regions of the country and providers and patients. CHRISTUS is excited about potential prospects for health care reform and we have been to Washington to express our support for this effort. We believe that the perfect should not be the enemy of the good in order to get a bill passed this year. Unfortunately, there is more attention being given to the differences under discussion, with very little attention to the similarities in all of the packages under consideration.

The CHRISTUS message regarding health care reform legislation includes emphasis on the following:

- **Oversight:** CHRISTUS believes that health providers must be accountable for demonstrating quality of care and cost effective care. Senator Rockefeller (D-WV) has proposed legislation which would expand MedPAC's authority to set payment rates for Medicare providers. And some have discussed an Independent Medicare Advisory Committee (IMAC) with authority to look at outcome measures and establish reimbursement systems that are aligned with cost effective care. CHRISTUS believes that the most important part of this discussion is not necessarily giving an entity authority to simply cut reimbursement rates, but giving some entity authority to look at the overall cost drivers in health care and determine what payment systems bring the most accountability for providing high quality care at the least cost. We agree with efforts to assign an agency with responsibility to make providers accountable.
- **Provider Collaboration:** CHRISTUS supports efforts to reduce barriers between physicians and hospitals so that more standardization exists in the provision of care and care is better coordinated among providers. Accountable Care Organizations (ACO's) came up in many of our meetings as one strategy to better coordinate care. The bills also include authority for demonstrations and pilot projects to expand medical homes and pursue similar initiatives.
- **Quality Measurement:** CHRISTUS reiterated its leadership among health systems to be transparent in terms of the cost and quality of care we provide. We agree with Congress that quality measures should be reported by all providers to ensure that we are accountable for the federal dollars we spend.
- **Workforce Initiatives:** CHRISTUS understands that an expansion of health coverage will require a workforce to meet the primary care needs of a larger population that previously avoided preventive care. We stand ready to do our part to work with federal agencies to ensure that we get this workforce trained. We are pleased that both the House and Senate are likely to include initiatives to bolster the primary care workforce with provisions to expand primary care residency slots for physicians and to provide incentives for nurses.
- **Information Technology:** CHRISTUS is working closely with federal policymakers within the Administration to ensure that the "meaningful use" standards under consideration will incentivize hospitals to embrace HIT. We met with the Office of the National Coordinator for Health Information Technology and shared our experience with HIT, and our belief that HIT will change the way we provide health care, especially by allowing patients to remain in their homes. The funding provided in the last stimulus bill in Congress will be made available to qualifying providers based on their ability to meet these new standards. CHRISTUS stands ready to be a leader in HIT and is eager to be an example for other organizations.

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## NEGOTIATORS CONTINUE TO WEIGH PUBLIC OPTION

Senior Senate Democrats at work with White House officials on health care legislation are strongly considering a requirement for the federal government to sell insurance in direct competition with private industry, officials said at the end of last week, with individual states permitted to drop out of the system. Liberals in Congress long have viewed such an approach, called a public option, as an essential ingredient of the effort to overhaul the nation's health care system, and President Barack Obama has said frequently he favors it. But he has also made clear it is not essential to the legislation he seeks, a gesture to Democratic moderates who have opposed it. Sens. Ben Nelson (D-NE) and Kent Conrad (D-ND), said in separate interviews they had been told the plan was drawing interest in the private negotiations unfolding in an ornate room in the Capitol down the hall from the Senate chamber. The final decision is up to Senate Majority Leader Harry Reid (D-NV), who led a delegation of Democrats to the White House late in the day to discuss health care with Obama. "I'm not part of those discussions. What I'm hearing is that this is the direction of the conversation," said Conrad, who supports an alternative approach under which nonprofit co-ops would compete with private industry. "I keep hearing there is a lot of leaning toward some sort of national public option, unfortunately, from my standpoint," Nelson said. The White House declined to comment.

Reid's office did likewise, and the Nevada Democrat left the White House without talking with reporters. Several officials said no final decisions had been made about including the so-called public option into the legislation. In the extraordinarily complicated atmosphere surrounding health care, one possibility seemed to be that the idea of a public option was being given wide circulation to see whether it could attract enough support to survive on the Senate floor. If not, it surely would be jettisoned beforehand, with liberals urged to accept something less or risk defeat of health care legislation. There is little margin for error among Obama's allies in the Senate as they confront nearly unanimous Republican opposition. Democratic moderates are skeptical of allowing the government to sell insurance, concerned that it would mark an unwarranted federal intrusion into the private marketplace. And even if they agreed, it would raise questions of payment rates for doctors, hospitals and other providers. Conrad, for example, has said repeatedly he could not accept a plan with payments tied to Medicare, the federal health care program for the elderly, because rates in North Dakota are too low to give doctors an incentive to treat additional patients.

The public option issue has been one of the most vexing of the yearlong effort by Obama and his Democratic allies in Congress to remake the nation's health care system. Legislation taking shape in the House is also expected to include a public option, although it is unlikely states will be allowed to opt out. After months of struggle, both houses are expected to vote in the next few weeks on sweeping legislation that expands coverage to millions of people who lack it, ban industry practices such as denial of coverage for pre-existing medical conditions and slow the growth of medical care spending in general. The House and Senate measures aim to expand coverage to about 95 percent of the population, and include federal subsidies to help lower-income families afford coverage and permit small businesses to provide it for their employees.

The two bills differ at many points, although both are paid for through a combination of cuts in future Medicare spending and higher taxes - a levy on high-cost insurance policies in the case of the Senate and an income surcharge on very high income individuals and families in the House measure. House Speaker Nancy Pelosi said at a news conference she and her leadership were entering the "final stages" of assembling a health care bill to be voted on this fall. Officials have said the measure would cost \$871 billion over a decade, but that total excluded a handful of items not directly related to expanded coverage that would push the total to well over \$1 trillion. Pelosi told reporters a provision eliminating the health insurance industry's exemption from federal antitrust law would be incorporated into the House measure. Officials said a similar move was under discussion in the Senate, part of a strong response to recent industry criticism of the legislation. White House press secretary Robert Gibbs declined to take a position on the antitrust proposal, saying it was under review.

The Senate negotiations have proceeded in unusual secrecy, attended by Reid, two Senate committee chairmen, Sen., Max Baucus (D-MT), and Christopher Dodd (D-CT), and a small group of administration

officials led by White House Chief of Staff Rahm Emanuel. Nominally, their task is to merge bills cleared earlier in the year by two Senate committees. But in fact, they have a virtual free hand to draft legislation that Reid will then usher onto the Senate floor for one of the most widely anticipated debates in recent years. Democrats hold a 60-40 majority in the Senate, counting two independents, precisely the number needed to overcome a threatened Republican filibuster. Sen. Olympia Snowe (R-ME), voted for the health care bill that cleared the Senate Finance Committee recently, giving Democrats one potential additional vote. However, she has long voiced opposition to a public option along the lines under consideration, as has Nelson, and other moderate Democrats have voiced skepticism. Without 60 votes, the legislation could stall even before debate began in earnest.

*Source: Washington Post, 10/24/09.*

## CONGRESS PUTS PRESSURE ON HEALTH INSURANCE INDUSTRY

**D**emocrats in the U.S. Congress moved last week to repeal the health insurance industry's exemption from antitrust laws, cranking up the pressure in a growing battle over President Barack Obama's healthcare reform plans. The moves were the latest chapter in an escalating feud between the industry and backers of sweeping healthcare reform that would tighten regulations and create a government-run public insurance option to compete with private insurers. The fight intensified after an industry lobbying group issued a report saying the healthcare reform plan under consideration in Congress would raise insurance premiums, which sparked protests from Democrats and the White House. "It's time to level the playing field for American healthcare consumers and make the insurance industry play by the same rules that other industries live by," Senate Democratic leader Harry Reid said. Proposals in the Senate and House of Representatives would repeal or refine the antitrust exemption granted the industry in 1945. Supporters said the exemption limited competition in an industry where one or two companies often dominate a state insurance market. "It's a different universe today than it was in 1945, and this exemption is antiquated, out-of-date, and doesn't belong," Democratic Senator Charles Schumer said.

Senate Democratic leaders said they would offer their proposal to repeal the exemption as an amendment to a sweeping bill to overhaul the U.S. healthcare system when it hits the Senate floor in the next few weeks. The House of Representatives Judiciary Committee passed a plan to limit the exemption and make health and medical malpractice insurance companies subject to laws on price-fixing and market allocation. House Democratic leaders said it would be folded into a healthcare reform bill that is nearly ready for floor debate. The trade group representing the industry, America's Health Insurance Plans, said in a letter to House Judiciary Committee Chairman John Conyers that the proposals "attempt to remedy a problem that does not exist."

Obama has made his top domestic priority a healthcare overhaul that reins in costs, regulates the insurance market and expands coverage, and the insurance industry has stepped up its opposition to the emerging legislation. Opinion polls show the public is divided on his healthcare plans, including the public insurance option backed by Obama and liberals as a way to increase competition but derided by critics as a big-government takeover. A USA Today/Gallup poll released on Wednesday found 50 percent backed a public option and 46 percent opposed it, but a CNN poll found 61 percent supported an insurance option administered by the government and 38 percent opposed.

Democratic House leaders, who have been meeting for weeks to merge three healthcare bills into one, are close to making final decisions on a plan that could include the most liberal version of a government-run public insurance option. Democrats were conducting a head count to gauge whether a bill that includes the strong version of a public option preferred by House liberals had the 218 votes needed to pass. "We will have a bill passed well before Thanksgiving," House Speaker Nancy Pelosi told reporters on Wednesday. House Democrats planned a Thursday morning meeting on healthcare. The inclusion of the strongest possible government-run public insurance option in the House bill could force a confrontation with the Senate, where the public option has less support and is less certain to be included in a final bill.

*Source: The Associated Press, 10/23/09.*

## SENATE REFUSES REPEAL OF MEDICARE PAYMENT FORMULA

The Senate found rare bipartisan agreement on a health-care issue Wednesday as 13 Democrats joined all 40 Republicans to block a permanent repeal of Medicare's payment formula for doctors. Although sympathetic to fixing the root problem, lawmakers concluded that the legislation's \$247 billion 10-year price tag was too steep in an era of record deficits. The "doc fix" has become a near-annual ritual in Congress: Lawmakers routinely override the formula that sets Medicare payments to doctors, a move to prevent physicians from turning away Medicare patients because they are paid too little for the visits. While the vast majority in Congress agree that the formula, established in a 1997 deficit-reduction bill, is a failed model, producing the enormous sum needed to eliminate it has proven impossible. Instead, lawmakers resort to temporary fixes. Although Republicans participated in talks to find ways to offset the \$247 billion, no single revenue source found consensus, and GOP senators decided to turn Wednesday's vote into a referendum on deficit spending and the price tags of the huge health-care reform bills slated to come to the House and the Senate next month.

*Source: Washington Post, 10/23/09.*

## POLL SHOWS AMERICANS ARE NERVOUS ABOUT HEALTH REFORM

Americans are increasingly worried about the cost and quality of medical care that could result from President Obama's effort to revamp health care, but a majority still trust him more than Republicans to change the system, a recent USA TODAY/Gallup Poll shows. The poll, which comes as Senate leaders are crafting a bill for a critical floor vote, finds that people who fear their costs would increase under the measure jumped 7 percentage points since last month, to 49%. There were similar increases among those who believe that both quality of health care and insurance company red tape will get worse if legislation passes. The findings underscore the skepticism Obama and other Democrats face as they work on key details of their health care plan. One-third of those polled say they expect to oppose the final bill, one-fourth say they would support it, and 39% are undecided. Yet Obama and Democrats in Congress command significantly more confidence than Republicans on the issue. More than half of Americans say they trust the president to change the system, compared with 37% expressing the same for congressional Republicans. Maintaining that trust will be critical as lawmakers wade through a messy process of merging various versions of health care legislation, settling on key details such as financing and securing enough support to pass measures during floor votes.

The poll also found:

- Half of Americans polled support a government-run public insurance plan to compete with private insurance companies, compared with 46% who do not. The controversial measure is not in the Finance Committee bill but it is in four other bills.
- Six in 10 oppose a proposed tax on high-priced insurance plans included in the Finance Committee's bill. But 59% support income surtax on high-wage earners being pushed by House Democrats.
- More than one-third said Democrats and Republicans negotiated in good faith on health care but couldn't reach an agreement, compared with 30% who said they believe neither side was willing to compromise. Two in 10 blame Republicans and 11% blame Democrats for being unwilling to negotiate. The Friday-Monday survey of 1,521 adults has a margin of error of +/-3 percentage points.

*Source: Gannett News Service, 10/23/09.*

## CDC: VACCINE PRODUCTION BEHIND SCHEDULE

A top-ranking official of the Centers for Disease Control and Prevention says production of a vaccine for swine flu virus is behind schedule and people should take precautionary steps to prevent its spread. Dr. Anne Schuchat (SHU'-kit) said "more vaccine is coming out every day" but production isn't where it was expected to be at this juncture. Interviewed on CBS's "The Early Show" Wednesday, Schuchat said "we wish we had more vaccine, but unfortunately the virus and the production of the vaccine aren't really cooperating." For people anxious about getting their vaccinations, she said officials expect "widespread availability" by mid-November. Schuchat heads the CDC's National Center for Immunization and Respiratory Diseases.

Also, federal health officials are warning doctors to not wait on flu testing to prescribe the anti-viral drugs such as Tamiflu that combat the illness. Since the drugs are most effective when taken in the first 48 hours of active infection, an aggressive prescriptive strategy will minimize risks of more serious complications. On Friday, President Barack Obama declared a state of emergency with regard to H1N1 (Swine Flu).

Source: Associated Press, 10/24/09.

## Of Physician Interest

### PERCENTAGE OF PHYSICIANS ENTERING PRIVATE-OWNED PRACTICE IS DIMINISHING

The percentage of physicians who own their own practices varies depending on the **survey**, anywhere from 30% to 60%. It is widely accepted that the number is going down. The *NEJM* paper estimated the number of doctors who owns at least part of a practice has declined about 2% annually for the past 25 years. Many experts suspect this may follow larger economic trends. But the change is also a reflection of the financial realities of practicing medicine. According to a report issued June 23 by the Medical Group Management Assn., median collections for primary care doctors increased 14.7% from 2004 to 2008 but, when adjusted for inflation, the growth was only 0.6%. Average collections went down 4.3% for specialists. When inflation was taken into account, the decline was 16.3%. Larger groups have more negotiating power and are better able to counter these trends.

There is no research documenting the impact of medical practice size on the community, but there is some indicating that practice size has an effect on patients and physicians. A study published in the September 2003 *Journal of the American Board of Family Medicine* found that as the size of the physician group increased, collegiality, quality emphasis and organizational trust went down. Being owned by a large system also decreased autonomy. There has been some research indicating that patients can benefit from receiving care from physicians working in a large group. For example, a paper in the January/February 2007, *Health Affairs* found that Medicare patients with myocardial infarction treated by solo physicians were more likely to die than were those cared for in other settings. A study in the July 27, 2005, *Journal of the American Medical Association*, found Medicare beneficiaries were less likely to receive recommended preventive services from solo or two-physician practices.

Source: American Medical Association, 10/22/09.

## Of Regional Interest

### ARKANSAS

*Arkansas Has Some Budget Cushion.* When Gov. Mike Beebe announced last week that Arkansas had to cut \$100 million from its budget, he sounded relieved that the cuts came early in the year. Compared to budgetary gloom in many other states, Arkansas' early recognition of its financial woes is a silver lining. "The good news is we don't wait until the 11th hour and then find out you've got to raise taxes or you've got to furlough everybody or close institutions," Beebe said. "The good news is we're not like all these other states that find themselves trying to sell the state Capitol to make money." State agencies have about two weeks to announce how they plan to cut expenses, but Beebe said he doesn't expect the state to lay off workers or shutter offices. Instead, he says, the state will have to pare back planned expansions and probably leave some positions unfilled. However, Arkansas has some wiggle room to help cushion the blow from the latest budget cuts. After using \$61 million of the state's surplus to help plug holes in Arkansas' budget, Beebe and lawmakers have another \$55 million they could tap to help out with the current shortfall. And more than \$100 million in fund balances will prevent the Department of Education \_ which faced a \$38 million cut in the budget \_ from reducing aid to state schools and risking another court fight over school adequacy. Beebe says he doesn't like the idea of tapping into the surplus money for schools, but said he doesn't think it will hurt the state's constitutional mandate to aid its public schools. "The saving grace is the fund balances are there for that reason. Nobody expects this thing to keep going on forever, but if it did, what we would do is shift other money," Beebe said. "We will always protect adequacy." The announcement marked the second time Beebe has had to cut the state's budget since taking office in 2007. In April 2008, he cut \$107 million from the state's budget. The cuts will be a test for Beebe and lawmakers as they prepare for next year's fiscal session, the first under an amendment approved by voters requiring the Legislature to meet annually. House Republicans say they're preparing to push back against Beebe, with one lawmaker saying the cuts show that the governor expanded too many programs during this year's session. The revised forecast calls for funding 98 percent of items listed in the top category of the state's Revenue Stabilization law, which sets spending priorities for the year based on expected revenues. The A category programs are funded first, followed by the B1 category, then the B category. So far, the cuts that have been announced don't indicate a major pullback in existing services. The Department of Health says half of its cuts will come from community health centers and for ambulances for the statewide trauma system \_ both initiatives that were to be funded by an increase in the tobacco tax.

*Source: Associated Press, 10/25/09.*

### LOUISIANA

*Louisiana Medicaid Roll Grows, Frustrates Budget Concerns.* Louisiana Medicaid rolls are increasing at a higher rate than anticipated and will add to an expected shortfall of funds in the government insurance program for the poor, the state's health chief said Thursday. State Department of Health and Hospitals Secretary Alan Levine said some 22,000 people have signed up for program in the first three months of the state budget year which began July 1. Levine said enrollment has hit 1.23 million people. "It's probably the highest ever," he told the state Senate Finance Committee. Levine previously said he expected a deficit in the \$6.5 billion Medicaid program. He told senators he does not know how much of a shortfall he will be facing as yet. The Medicaid enrollment increase is the latest aggravating factor, he noted. Others include time delays in implementing cuts in payments received by hospitals, physicians and other health-care providers and the bureaucracy involved in instituting "efficiencies," Levine said. In addition, Levine said his agency is noticing a higher level of activity in the Medicaid pharmacy program related to flu season and more emergency room visits. "We think that's going to translate into claims that must be paid." Levine said he would consult with legislative budget and fiscal staff as he develops a projected deficit number.

*Source: The Advocate, 10/16/09.*

## NEW MEXICO

*State Legislature Passes Budget Bill.* A budget that largely protects K-12 education, while cutting deeply into most state agencies, won approval from the Legislature Friday evening. The budget passage came after an exhausting and confusing day in which state lawmakers dueled and disagreed before finally finding common ground. Five Senate amendments were added to a bill that originated in the House of Representatives. The changes, which had appeared at first to be a major obstacle, turned out to be nothing more than a speed bump to passing the budget. The House agreed with four of the five amendments, and asked the Senate to withdraw the fifth amendment, which it did. That decision effectively sent the budget bill, which trims more than \$200 million in spending, to Gov. Bill Richardson for his signature. Of the Senate amendments, the only one that substantially altered the budget restored \$5 million for state police, which had been facing 7.5 percent cuts. While the amendments didn't substantially alter the budget, they threw the Senate into chaos for most of Friday, as senators hurled charges and counter-charges at each other, exposing a rift among Democratic state lawmakers that had been simmering for days—if not longer. Starting from the beginning, Democrats fought among themselves over Gov. Bill Richardson's decision to take tax increases off the agenda as a way to address this year's \$650 million budgetary shortfall. Some Democrats said the governor's prohibition meant tax increases should not be part of the budget fix, even if they philosophically supported raising taxes. Others pushed hard for tax increases despite the governor's ban. That debate was often heated and antagonized both factions. Those sore feelings were on display Friday, especially after debate on an amendment offered by Sen. Eric Griego, which was adopted after Lt Gov. Diane Denish cast a dramatic tie-breaking vote. The budget bill didn't make many people happy. Republicans – and some Democrats — said it didn't cut deep enough to prepare for what say will be a \$1 billion shortfall in the next budget year. Progressive Democrats weren't happy because the budget bill didn't allow for tax increases to help close this year's \$650 million budgetary shortfall. In addition to the budget bill, the Legislature will close this year's \$650 million shortfall using legislation that “sweeps” state funds of unused money, claws back money from unfinished brick and mortar projects and uses federal stimulus dollars that disappear Dec. 31, 2010.

*Source: New Mexico Independent, 10/23/09.*

## OKLAHOMA

*Oklahoma Medicaid Seeks \$263 Million in Additional Funding.* Oklahoma Medicaid is seeking an additional \$263 million in funding for the fiscal year which begins July 2010. The Oklahoma Health Care Authority made the request in a budget request made public recently. The agency administers the program that provides health care to poor and disabled Oklahomans. Agency CEO Mike Fogarty says in a letter to Gov. Brad Henry and legislative leaders that most of the requested increase — \$166 million — is needed merely to maintain the program at existing levels. However, the head of a state House appropriations subcommittee, Rep. Doug Cox of Grove, says the agency is unlikely to get all it is seeking. Cox, a physician, says declining state revenue and rising enrollment in the Medicaid program may force authorities to trim some services.

*Source: News OK, 10/15/09.*

## TEXAS

*Looking Ahead: Serious Gaps for 2011 State Budget.* State Senate Finance Committee members who served in the 2009 legislative session expect the next session in 2011 to bring serious budget cuts. With various tax revenues missing expectations, and one-time-only federal stimulus dollars filling gaps in the 2010-2011 budget planned in the 2009 session, Committee members say the state's next budget will see deep cuts and may require a dip into Texas' rainy day fund. “In order to balance the budget this biennium, which is \$182 billion, we used \$14 billion in federal stimulus money to balance it,” said State Sen. Steve Ogden, R-Bryan. “We're not expecting a similar amount of similar money to be available in the next two years because the federal government just doesn't

have it. So, assuming that's true, you go into the next session with a \$14 billion hole." According to the State Comptroller's office, Texas requested and was allocated almost \$20 billion in federal stimulus funds from the American Recovery and Reinvestment Act, and has so far been awarded about \$13 billion. About \$3.6 billion has been received, and nearly all of the received funds have been spent. Ogden chaired the Senate Finance Committee in the 2009 legislative session, and has said he doesn't plan to run for the State Senate again. Ogden said committee members decided to stay out of Texas' rainy day funds in the 2009 session in anticipation of the \$14 billion budget hole legislators will have to fill in the 2011 session. Along with the hole federal stimulus funds covered in 2009, another issue worsening budget concerns is an expected shortfall in oil, natural gas and sales tax revenues because of dropping energy prices and the economic downturn. Through 2007 and 2008, when oil and natural gas prices rose to record levels, the rainy day fund was growing at a similar pace, he said. But, since prices have dropped over the last year, the rainy day fund's growth has slowed and the amount of taxes the state collects from the resources has dipped.

*Source: Fort Worth Business Press, 10/19/09.*

## UTAH

*Utah Advocates Worry About Future of Social Safety Net.* With Utah lawmakers facing a possible \$750 million budget shortfall next year, low-income advocates fear the vulnerable people they fight for every day will be the first to feel the ax. Among the government-funded programs at risk of getting slashed are Medicaid, food stamps and general assistance. Proposed federal health care reforms are poised to significantly expand access to Medicaid, said Lincoln Nehring, Medicaid policy director for the Utah Health Policy Project. That possibility could help span the gap between Utah's 250,000 uninsured and the 25,000 that qualify for the state's Primary Care Network, Nehring hopes. However, he fears that Utah's Medicaid program will face even deeper cuts during the coming budget sessions. Under the federal stimulus, food-stamp eligibility guidelines were relaxed to provide more aid for the homeless. That change caused a recent surge in the number of participating Utah families from 52,000 to 90,000, said Bill Tibbits, who directs the Anti-Hunger Project for the Crossroads Urban Center. Unfortunately, old rules will be reinstated next October.

*Source: Salt Lake City Tribune, 10/22/09.*

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