

# healthcare issue brief

presented by UHA, Utah Hospitals and Health Systems Association

## HEALTH SYSTEM REFORM IN UTAH

### Why is reform needed?

Despite Utah's efficiencies in healthcare delivery and a booming local economy, more than 300,000 Utahns are uninsured. Of those, 90,000 are children (newborn to 18 years of age) and more than 100,000 work for small businesses. The cost of providing care to the uninsured is passed on to Utah businesses. On average, Utah businesses that provide insured health benefits to their employees pay a "hidden" 17% premium tax to cover the cost of care for the uninsured. In addition, the cost of health insurance is growing faster than other costs, creating more uninsured and underinsured every year.

Significant change in the healthcare system is now of interest to a cross-section of groups—business, legislators as well as advocates and providers. Utah's hospitals and health systems are joining with other interested parties to support local solutions for health system reform.

Utah is not unique in its concern for the growing uninsured population. Many states, including Massachusetts, California and Maine, are experimenting with state-based reform plans to curb healthcare premium costs and reduce the number of uninsured.

### UHA's reform proposal

UHA convened its Healthcare Coverage Coalition from October 2006 through June 2007 to examine potential solutions to Utah's growing uninsured dilemma. The Coalition's members included representatives of Utah's healthcare community. After many months of discussion and debate, UHA developed a proposal for consideration by business and political leaders. UHA's proposal included the following elements:

- Shared responsibility between individuals and employers;
- An Essential Benefits Insurance Plan;
- A Healthcare Coverage Commission to oversee administration of the plan;
- An Insurance Exchange to serve as a marketplace for insurance products, and
- Broad-based funding for reform efforts.

UHA also supports a plan which encourages wellness and preventive care as well as personal responsibility for one's health.

### Call to action

Governor Jon Huntsman has identified healthcare system reform as one of his top three priorities for the 2008 legislative session. Representative David Clark is the sponsor of [H.B. 133 – Health System Reform](#) which offers a multi-year framework for health system reform. UHA is supportive of Representative Clark's efforts and will join with others to help to make sure that any reform is market-based, fiscally viable and helps to improve cost, quality and access. UHA urges all hospitals to contact their legislators to ask them to support appropriate health care reform legislation.