



Legisletter

Produced by UHA, Utah Hospitals & Health Systems Association

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Utah Legislature Set To Begin on Monday

The 2008 legislative session begins on Monday. 2008 is a major political year with a wide open presidential election as well as the state election for Governor, all members of the Utah House of Representatives and half of the members of the Utah Senate. The Legislature starts the session with major on-going and one-time funding surpluses but with a wary eye on the slowing economy. Look for the Legislature to provide a \$90-100 million property tax cut this session as well as provide substantial new funding for transportation and public education.

Overall Budget Picture Is Bright

The Legislature begins the session with an estimated surplus of \$838 million with \$386 million in on-going funds and \$452 million in one time funds. While this sounds like a lot of money there are constraints in place that will make all of this difficult to spend. First, legislative funding is already close to the "cap" that the Legislature passed a number of years ago and that will limit additional on-going funding. Second, under the Utah Constitution, all income tax revenue must go to public and higher education. In addition, due to the economic clouds appearing, the Legislature will fully fund their "rainy day" fund to save money for the future. They will also not spend one-time money on on-going programs like Medicaid but will spend it on roads and capital projects. They have added \$163 million to the base budget bill that will pass the first week of the session with most of this going to public education. They have also added \$14 million of new funding in the base bill for new Medicaid funding and some of that will go to inflation increases for providers.

Medicaid and Other Health Funding

The Department of Health recommended to the Governor that Utah's hospitals should receive a 5.4% inflation inpatient increase and a 6.5% outpatient inflation increase. The Governor has recommended a 3.42% inpatient hospital inflation update and a 4.12% outpatient update. UHA will be strongly lobbying the Legislature for an update of 5.0% for both inpatient and outpatient inflation increases. There is good news on the \$2 million in state matching funds going to nurse educator funding as that is now in the on-going base budget and should continue without any problem. The Medical Education Council will be seeking additional funding from the Legislature as well. There is also likely to be funding for expanding the use of electronic medical records as well as additional funding for health care data collection from providers. There will also be discussion regarding funding to expand the number of students admitted to the School of Medicine at the University of Utah.

Health Reform Debate to Begin

Look for a major debate over health care reform during this legislative session. UHA and many others have been discussing health reform legislation for months and now the public debate will begin. Representative David Clark is the sponsor of [H.B. 133 – Health System Reform](#) which offers a multi-year framework for health system reform. There is likely to be a lot of discussion as to how best to do this and UHA will continue to be a major player in that discussion. 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.

Niche Providers Want Any Willing Provider Legislation Again

Niche providers will bring forward any willing provider type legislation again, even though it has been soundly defeated in the last two years as well as in the many other failed attempts before that. Senator Chris Buttars has introduced [S.B. 121 – Access to Qualified Healthcare Providers](#) that is very similar to the legislation he introduced last year that was defeated. UHA will work with a broad business coalition to again oppose this legislation. In addition, it is possible that similar legislation will be filed dealing just with the Medicaid program.

Other Legislation of Interest

There will also be a myriad of other health care legislation. Look for legislation dealing with health insurance mandates to cover obesity and prosthetics, funding for the HIP pool and mandating primary use of seat belts. Also look for legislation dealing with assignment of benefits as well as other health insurance issues. Hospital lien legislation and mandatory arbitration for small medical malpractice claims also may be discussed. Legislation dealing with abortion and payment for prisoners' health claims has also been introduced.

Plan on Attending UHA's Legislative Reception and Hospital Day at the Legislature

It is not too late to RSVP to come to UHA's Annual Legislative Reception to be held from 5:00 – 7:00 p.m. on Thursday, January 24, 2008 at the 23rd Floor Event Center located at 299 South Main in Salt Lake City. Please call Brenda at 801/486-9915 if you would like to attend. We are also excited to be back in the beautifully renovated State Capitol for our Annual UHA Hospital Day at the Legislature to be held on Monday, February 18th. We will have a wonderful lunch in the Capitol Rotunda with many legislators and we hope you will come.

UHA Is Here To Help You Keep Informed

Please visit the UHA website at www.uha-utah.org for more legislative information. Attached you will find a list of the legislators that represent each hospital in the state. For additional legislative information you can go to the legislative website at www.le.state.ut.us where you can read and track proposed legislation, see committee agendas and find lots of other pertinent information. If you have specific questions or concerns, please e-mail Dave Gessel at dave@uha-utah.org or call him at 801/231-3404.