



TO: The Honorable Spencer J. Cox
Utah Lt. Governor's Office
Utah State Capitol Building
350 State Street, Suite 220

FROM: Utah Decides Healthcare Campaign

DATE: Monday, October 2, 2017

RE: Utah Decides Healthcare Initiative Application

As sponsors of the *Utah Decides Healthcare* Initiative, we believe adequate medical care is crucial to the health and welfare of the residents of Utah.

Watching out for our neighbors is one of our state's hallmarks; it binds our community. And we know the importance of making sure that hard-working, low-income citizens can access meaningful healthcare coverage. The *Utah Decides Healthcare Act* will allow tens of thousands of our neighbors to receive the medical coverage they need.

While politicians in Washington squabble, we can chart our own course based on Utah values and choosing what's right for our families. Through this effort, citizens will decide the best way to provide needed healthcare in our state.

Respectfully,

Beth Armstrong, Park City
Karina Andelin Brown, Logan
Bishop Scott Hayashi, Salt Lake City
Alan Ormsby, Salt Lake City
Senator Brian Shiozawa, Salt Lake City

Received

OCT 02 2017

Spencer J. Cox
Lieutenant Governor

Campaign Contact:
Dina Blaes
801-537-0900
dina@exoro.com

Application for an Initiative or Referendum

Utah Code 20A-7-202



PLEASE NOTE: A copy of the proposed law must be attached to this application along with a statement indicating whether or not signature gatherers will be paid for their services.

Please type or print

Application must be completed by five sponsors

Sponsor Statement

1. Scott Byron Hayashi
Name of Sponsor (please type or print)

affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

2649 E. Chalet Circle
Residence Address

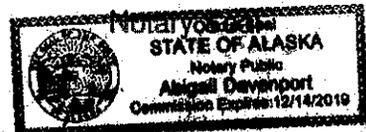
[Signature]
Sponsor's Signature

Cottonwood Heights, UT 84095 801-733-9952
City, State, Zip Phone Number

Subscribed and affirmed before me this 20 day of September 2017

[Signature]
Notary Public

My commission expires 12/14/19



To File this Form
Mail or deliver to
Lieutenant Governor's Office
Utah State Capitol
Suite 220
Salt Lake City, UT 84114-2325
Fax (801) 538-1133
For More Information call
(801) 538-1041
1-800-995-VOTE (8683)
elections@utah.gov

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Spencer J. Cox
Lieutenant Governor

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Application for an Initiative or Referendum

Utah Code 20A-7-202



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Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, Mary Elizabeth Armstrong affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

Name of Sponsor (please type or print)

2574 Aspen Springs Drive

Residence Address

Park City, UT 84060

City, State, Zip

435-333-1875

Phone Number

Subscribed and affirmed before me this 20 day of Sept 2017

My commission expires 6-13-21

Notary Seal



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Application for an Initiative or Referendum

Utah Code 20A-7-202



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Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, Brian E Sklar affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

Name of Sponsor (please type or print)

3177 Ft Union Blvd

Residence Address

Sponsor's Signature

SALT LAKE CITY UTAH 84121 801 232 3400

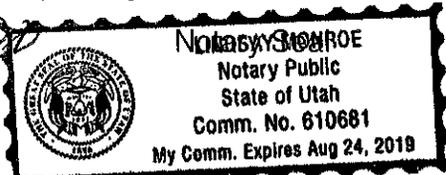
City, State, Zip

Phone Number

Subscribed and affirmed before me this 27 day of September 2017

Lindsay Monroe
Notary Public

My commission expires Aug 24, 2019



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Utah State Capitol
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Salt Lake City, UT 84114-2325
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Utah Code 20A-7-202



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Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, Alan K. Ormsby
Name of Sponsor (please type or print)

affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

1320 E. MILNE LANE
Residence Address

Alan K. Ormsby
Sponsor's Signature

MIDVALE UT 84047
City, State, Zip

801-739-3816
Phone Number

Notary Seal

Subscribed and affirmed before me this 28 day of Sept 2017

Jill Loscher
Notary Public

My commission expires



JILL LOSCHER
Notary Public • State of Utah
Commission # 606470
My Commission Expires
September 9, 2021

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Utah State Capitol
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Salt Lake City, UT 84114-2325
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Date Received

Application for an Initiative or Referendum

Utah Code 20A-7-202



PLEASE NOTE: A copy of the proposed law must be attached to this application along with a statement indicating whether or not signature gatherers will be paid for their services.

Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, Karina Andelin Brown affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.
Name of Sponsor (please type or print)

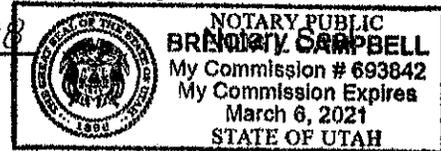
5331 Sleepy Hollow Lane
Residence Address

Karina Andelin Brown
Sponsor's Signature

Nibley, UT 84321
City, State, Zip

435-881-2798
Phone Number

Subscribed and affirmed before me this 22 day of September 2017



Brandon Campbell
Notary Public

My commission expires 3-6-2021

To File this Form

Mail or deliver to
Lieutenant Governor's Office
Utah State Capitol
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Salt Lake City, UT 84114-2325
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1-800-995-VOTE (8683)
elections@utah.gov

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Date Received

UTAH DECIDES HEALTHCARE ACT OF 2018

Highlighted Provisions:

This initiative:

- mandates that the eligibility requirements for Medicaid and the Utah Children's Health Insurance Program ("CHIP") shall not become more restrictive than the requirements in effect on January 1, 2017;
- expands Medicaid so that all individuals with income equal to or less than 138% of the federal poverty line are eligible;
- prohibits caps on enrollment in Medicaid and CHIP beyond those in place on January 1, 2017;
- mandates that the categories of care and services and types of benefits available under Medicaid and CHIP shall not become more restrictive than those available on January 1, 2017;
- mandates that the premiums, beneficiary enrollment fees, and out-of-pocket costs for Medicaid and CHIP shall not be greater than those applicable on January 1, 2017;
- mandates that payment rates to Medicaid and CHIP providers for covered care and services shall not decrease below the rates in effect on January 1, 2017, subject to an annual adjustment;
- requires that accountable care organizations that contract to provide care and services under Medicaid or CHIP may not decrease payments to providers for such services below the rate that at least one accountable care organization paid on January 1, 2017, subject to an annual adjustment, and that payments by the state to accountable care organizations shall be sufficient for organizations to comply with this mandate;
- requires the maximization of federal financial participation in funding Medicaid and CHIP, and requires the use of state-only funds to fund Medicaid and CHIP if federal funds are not available;
- increases the sales tax rate from 4.7% to 4.85% and dedicates the additional revenue to implement the measures provided for in this Act and in the Medicaid program; and
- provides that its provisions are severable.

This act affects sections of Utah Code Annotated 1953 as follows:

ENACTS:

26-18-3.9, Utah Code Annotated 1953

AMENDS:

26-18-3.1, as last amended by Chapter 366, Laws of 2011

59-12-103, as last amended by Chapter 234, 421, and 422, Laws of 2017

This act enacts uncodified material.

Be it enacted by the people of the State of Utah:

Section 1. Title.

This act shall be known as the "Utah Decides Healthcare Act of 2018."

Section 2. Section **26-18-3.9** is enacted to read:

26-18-3.9. Protecting and expanding the Medicaid program and Utah Children's Health Insurance Program.

(1) Findings and purpose.

(a) Findings. The People of the State of Utah find that:

(i) Adequate medical care is crucial to the health and welfare of the residents of Utah;

(ii) It is essential that all Utahns have access to medical care, including preventive care, emergency services, and hospital care;

(iii) Utah's Medicaid program and Children's Health Insurance Program ("CHIP") provide care to Utahns who are unable to afford private health insurance and are not eligible for other health insurance. Medicaid and CHIP are vital parts of the Utah health care system and it is essential that they continue to provide health care for the most vulnerable citizens of our state;

(iv) However, over 250,000 Utahns remain uninsured and do not have adequate access to health care. Over 100,000 of the uninsured would be covered by Medicaid if the State of Utah were to expand eligibility to all adults at or below 138% of the federal poverty line;

(v) When people don't have access to care they are far more likely to develop chronic conditions, like diabetes or asthma, that often require expensive treatment for a patient's entire life, resulting in unnecessary suffering and driving up the cost of healthcare;

(vi) When medical providers provide care for which patients are not insured, the cost of that care is passed on to others, thus increasing the cost of medical care for all Utah residents;

(vii) It is critical to the survival of the Medicaid program that it remain adequately funded so that it can provide needed medical services to those who otherwise would not have access to care, and can compensate the providers who serve participants. The compensation to providers must be adequate to encourage providers to continue to treat patients on Medicaid; and

(viii) From moral, health and fiscal perspectives, protecting and expanding the Medicaid program in Utah is essential to maintaining the quality of life in our state.

(b) Purpose. The purpose of this measure is to preserve and strengthen medical care in the State of Utah by the following:

(i) Protecting Medicaid and CHIP so that they can continue to provide medical care to those who are currently eligible, and

(ii) Expanding Medicaid eligibility to adults with incomes at or below 138% of the federal poverty level.

(2) Eligibility. Eligibility for the Medicaid program shall be maintained for presently eligible individuals and expanded to cover additional low-income individuals.

(a) The standards, methodologies, and procedures for determining eligibility for the Medicaid program and CHIP shall be no more restrictive than the eligibility standards, methodologies, or procedures, respectively, that were in effect on January 1, 2017.

(b) Notwithstanding Sections 26-18-18 and 63J-5-204, the Medicaid program shall be expanded so that all individuals whose modified adjusted gross income is equal to or less than 138% of the federal poverty line are eligible for the Medicaid program. For purposes of this section, "modified adjusted gross income" has the meaning given in 26 U.S.C. Sec. 36B(d)(2) and is calculated in accordance with the requirements of 42 U.S.C. Sec. 1396a(e)(14) as those provisions existed on January 1, 2017.

(c) There shall be no caps on enrollment beyond those in place as of January 1, 2017.

(3) Care and Services. For each enrollment group or category in the Medicaid program and CHIP, the categories of care or services and the types of benefits provided in each category shall be no more restrictive than the categories of care or services and the types of benefits provided on January 1, 2017. Such services and benefits shall be provided in sufficient amount, duration, and scope to achieve their purposes.

(4) Out-of-Pocket Costs. Any premium, beneficiary enrollment fee, and cost sharing requirements applicable to care and services described in this section, including but not limited to co-pay, co-insurance, deductible, or out-of-pocket maximum, shall be no greater than those in effect on January 1, 2017.

(5) Provider payments.

(a) Payments to providers under the Medicaid program and CHIP for covered care and services shall be made at a rate not less than 100% of the payment rate that applied to such care and services on January 1, 2017, and shall increase annually at a rate not less than the region's Consumer Price Index.

(b) Managed care.

(i) If the department contracts with an accountable care organization or other organization to cover care and services under the Medicaid program or CHIP, a contract with that organization shall provide that the organization shall make payments to providers for items and services that are subject to the contract and that are furnished to individuals eligible for the Medicaid program or CHIP at a rate not less than 100% of the payment rate that at least one accountable care organization that contracted with the department paid for such care and services on January 1, 2017 (regardless of the manner in which such payments are made, including in the form of capitation or partial capitation), and that the minimum payment required by this provision will increase annually at a rate not less than the region's Consumer Price Index.

(ii) Payments by the administration to accountable care organizations or such other organizations shall be sufficient for the organizations to comply with the provider payment rate requirements of this Act.

(6) Nothing in this section shall prevent the people acting through initiative, the Legislature by statute, or the department by promulgating rules from:

(a) Expanding eligibility by adopting less restrictive eligibility standards, methodologies, or procedures than those permitted by subsection (2);

(b) Expanding covered care and services by adding to the list, amount, duration, or scope of covered care and services required by subsection (3);

(c) Reducing cost sharing below the maximum levels permitted by subsection (4); or

(d) Increasing provider payments above the minimum payments required by subsection

(5).

(7) For purposes of this section:

(a) The "Medicaid program" means the Medicaid program defined by section 26-18-2(4), including any waivers.

(b) The "Utah Children's Health Insurance Program" or "CHIP" means the Utah Children's Health Insurance Program created in Chapter 40, Utah Children's Health Insurance Act.

(8) The department shall maximize federal financial participation in implementing this section, including by seeking to obtain any necessary federal approvals or waivers.

Notwithstanding any other provision of law, benefits for care and services to eligible individuals described in this section shall be provided with state-only funds to the extent that federal financial participation is reduced or is not available.

(9) Severability. If any provision of this section or its application to any person or circumstance is held invalid, the remainder of this section shall be given effect without the invalid provision or application, and to this end the provisions of this section are severable.

Section 3. Section **26-18-3.1** is amended to read:

26-18-3.1. Medicaid expansion

(1) The purpose of this section is to expand the coverage of the Medicaid program to persons who are in categories traditionally not served by that program.

(2) Within appropriations from the Legislature, the department may amend the state plan for medical assistance to provide for eligibility for Medicaid:

(a) on or after July 1, 1994, for children 12 to 17 years old who live in households below the federal poverty income guideline; and

(b) on or after July 1, 1995, for persons who have incomes below the federal poverty income guideline and who are aged, blind, or have a disability.

(3) (a) Within appropriations from the Legislature, on or after July 1, 1996, the Medicaid program may provide for eligibility for persons who have incomes below the federal poverty income guideline.

(b) In order to meet the provisions of this subsection, the department may seek approval for a demonstration project under 42 U.S.C. Section 1315 from the secretary of the United States Department of Health and Human Services. This demonstration project may also provide for the voluntary participation of private firms that:

- (i) are newly established or marginally profitable;
- (ii) do not provide health insurance to their employees;
- (iii) employ predominantly low wage workers; and
- (iv) are unable to obtain adequate and affordable health care insurance in the private market.

(4) The Medicaid program shall provide for eligibility for persons as required by Section 26-18-3.9(2).

(5) Subject to the requirements of Section 26-18-3.9(2) and (3), services [Services] available for persons described in this section shall include required Medicaid services and may include one or more optional Medicaid services if those services are funded by the Legislature. The department may also require persons described in this section to meet an asset test.

Section 4. Section **59-12-103** is amended to read:

59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use tax revenues.

...

- (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax is imposed on a transaction described in Subsection (1) equal to the sum of:
- (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
 - (A) ~~4.70~~4.85%; and
 - (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and
 - (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
 - (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.

...

(14) Notwithstanding Subsections (3) through (13), the Division of Finance shall transfer the amount of revenue generated by a 0.15% tax rate on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) as dedicated credits to the Division of Health Care Financing for the following uses:

- (a) implementation of the Medicaid expansion described in Sections 26-18-3.1(4) and 26-18-3.9(2);

(b) if revenue remains after the use specified in Subsection 14(a), other measures required by Section 26-18-3.9; and
(c) if revenue remains after the uses specified in Subsections 14(a) and (b), other measures described in Title 26, Chapter 18, Medical Assistance Act.

Section 5. Competing Measures.

It is the intent of the People that the 0.15% increase to the state sales tax under Section 59-12-103(2)(a)(i)(A) provided herein be enacted in addition to any other increase to such rate enacted by any law submitted to the people by initiative petition that is approved by the voters at the same election.

Section 6. Severability. It is the intent of the People that the provisions of this act are severable and that if any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of this act shall be given effect without the invalid provision or application.

END OF UTAH DECIDES HEALTHCARE ACT

Persons gathering signatures for the petition may be paid for doing so.

This initiative seeks to increase the current state sales tax rate by .15 percent, resulting in a 3.2 percent increase in the current state sales tax rate.



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET

KRISTEN COX
Executive Director

October 27, 2017

Lieutenant Governor,

Submitted below is the Governor's Office of Management and Budget's fiscal estimate for the "*Utah Decides Healthcare Statewide Initiative.*"

The Governor's Office of Management and Budget estimates that this proposed initiative would, in fiscal year 2021 (upon full phase-in of the federal Affordable Care Act):

- Result in total state fiscal expenses of about \$635,000,000, including about \$615,000,000 for additional state expenses for current and additional Medicaid services and \$20 million for transportation;
- Increase state sales taxes by about \$90,000,000 by increasing the state sales tax rate by 0.15%, from 4.70% to 4.85% (a 3.2% increase from the current tax rate).

Estimates could vary with changes in federal funding, taxpayer behavior, Medicaid recipient behavior, or different interpretation of ambiguous language.

In addition, the cost of posting information regarding the proposed initiative in Utah's statewide newspapers and for printing additional pages in the voter information pamphlet is estimated at \$30,000 in one-time funds.

Should you have any questions, please contact Nate Talley, Budget and Policy Manager, at (801) 538-1556.

Sincerely,

Kristen Cox

Executive Director



TO: The Honorable Spencer J. Cox
Utah Lt. Governor's Office
Utah State Capitol Building
350 State Street, Suite 220

FROM: Utah Decides Healthcare Campaign

DATE: December 15, 2017

RE: Utah Decides Healthcare Initiative

As sponsors of the *Utah Decides Healthcare* Initiative, we believe adequate medical care is crucial to the health and welfare of the residents of Utah.

Effective today, we are adding additional sponsors to the *Utah Decides Healthcare* Initiative and, therefore, have attached Sponsor Statements with the notarized signatures of these additional sponsors.

Respectfully,

Beth Armstrong, Park City
Karina Brown, Logan
Bishop Scott Hayashi, Salt Lake City
Alan Ormsby, Salt Lake City
Brian Shiozawa, Salt Lake City

Statewide Initiatives
Title 20A, Chapter 7, Part 2

Sponsor Statement

I, Raymond Ward affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.
Name of Sponsor (please type or print)

954 East Millbrook Way
Residence Address

Bountiful UT 84010
City, State, Zip

801-440-8765
Phone Number

Raymond Ward
Sponsor's Signature

Subscribed and affirmed before me this 15th day of December 2017

Vickie Lee Griffin
Notary Public

My commission expires 3/16/20

Notary Seal



VICKIE LEE GRIFFIN
NOTARY PUBLIC - STATE OF UTAH
My Comm. Exp. 03/16/2020
Commission # 687695

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Utah State Capitol
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Salt Lake City, UT 84114-2325
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elections@utah.gov

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Statewide Initiatives
 Title 20A, Chapter 7, Part 2

Sponsor Statement

I, Rylee Curtis affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.
Name of Sponsor (please type or print)

939 E 6740 S.
Residence Address

Midvale Utah 84047 801-706-7831
City, State, Zip Phone Number

Subscribed and affirmed before me this 14 day of December 2017

[Signature] My commission expires January 23, 2021
Notary Public

Notary ~~S~~OTARY PUBLIC
 USIEL ROMAN
 693407
 COMMISSION EXPIRES
 JANUARY 23, 2021
 STATE OF UTAH

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Statewide Initiatives
Title 20A, Chapter 7, Part 2

Sponsor Statement

I, Randal Serv affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

Name of Sponsor (please type or print)

2246 E. 2700 S.
Residence Address

Salt Lake City, UT, 84109 801 441 9742
City, State, Zip Phone Number

Subscribed and affirmed before me this 14 day of December 2017

[Signature]
Notary Public

[Signature]
Sponsor's Signature

My commission expires January 23, 2021

NOTARY PUBLIC
USIEL ROMAN
693407
COMMISSION EXPIRES
JANUARY 23, 2021
STATE OF UTAH

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Statewide Initiatives
Title 20A, Chapter 7, Part 2

Sponsor Statement

I, Stacy Davis affirm that I am a resident of Utah and I have voted in a
Name of Sponsor (please type or print) regular general election in Utah within the last three years.

1186 W Dupont Ave
Residence Address

Stacy Davis
Sponsor's Signature

SLC, UT 84116 801-718-6130
City, State, Zip Phone Number

Subscribed and affirmed before me this 14 day of Dec 20 17

[Signature]
Notary Public

My commission expires JANUARY 23, 2021

NOTARY PUBLIC
Notary Seal: USIA ROMAN
693407
COMMISSION EXPIRES
JANUARY 23, 2021
STATE OF UTAH

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State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET

KRISTEN COX
Executive Director

December 1, 2017

Lieutenant Governor,

Submitted below is the Governor's Office of Management and Budget's fiscal estimate for the "Utah Decides Healthcare Act of 2018" statewide initiative.

The Governor's Office of Management and Budget estimates that this proposed initiative would, in fiscal year 2021 (upon full phase-in of the federal Affordable Care Act):

- Result in new state fiscal expenses of about \$77,000,000 for Medicaid services
- Increase state sales taxes by about \$90,000,000 by increasing the state sales tax rate by 0.15%, from 4.70% to 4.85% (a 3.2% increase from the current tax rate).

Beyond FY 2021, costs could outpace new revenue depending on actual cost and revenue trajectories. Estimates could vary with changes in federal law, federal funding, taxpayer behavior and Medicaid recipient behavior, among other factors.

In addition, the cost of posting information regarding the proposed initiative in Utah's statewide newspapers and for printing additional pages in the voter information pamphlet is estimated at \$30,000 in one-time funds.

Should you have any questions, please contact Nate Talley, Budget and Policy Manager, at (801) 538-1556.

Sincerely,

Kristen Cox

Executive Director

Application for an Initiative or Referendum

Utah Code 20A-7-202



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Please type or print

Application must be completed by five sponsors

Sponsor Statement	
I, <u>Alan K. Ormsby</u>	affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.
<small>Name of Sponsor (please type or print)</small>	
<u>1320 E. Milne Lane</u>	<u>Alan K. Ormsby</u>
<small>Residence Address</small>	<small>Sponsor's Signature</small>
<u>Midvale, UT 84047</u>	<u>801-739-3816</u>
<small>City, State, Zip</small>	<small>Phone Number</small>
Subscribed and affirmed before me this <u>17th</u> day of <u>November</u> 20 <u>17</u>	
<u>[Signature]</u>	My commission expires <u>08/16/2022</u>
<small>Notary Public</small>	

JIGAR M. PATEL
NOTARY PUBLIC
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 08/16/2022

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Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, Karina Andelin Brown affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.
Name of Sponsor (please type or print)

5331 Sleepy Hollow Lane
Residence Address

Karina Andelin Brown
Sponsor's Signature

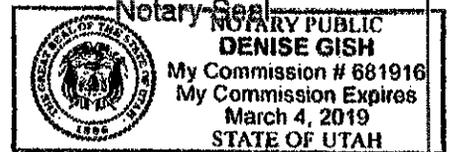
Nibley, UT 84321
City, State, Zip

435-881-2798
Phone Number

Subscribed and affirmed before me this 7th day of November 2017

[Signature]
Notary Public

My commission expires 3-4-19



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Lieutenant Governor

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Utah Code 20A-7-202



PLEASE NOTE: A copy of the proposed law must be attached to this application along with a statement indicating whether or not signature gatherers will be paid for their services.

Please type or print

Application must be completed by five sponsors

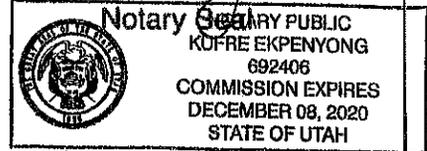
Sponsor Statement

I, Mary Elizabeth Armstrong affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

2574 Aspen Springs Drive Mary S Armstrong
Residence Address Sponsor's Signature

Park City UT 84060 435-647-6831
City, State, Zip Phone Number

Subscribed and affirmed before me this 7th day of November 20 17



[Signature]
Notary Public

My commission expires November 8, 2020
December

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Utah State Capitol
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Salt Lake City, UT 84114-2325
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Lieutenant Governor

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Utah Code 20A-7-202



PLEASE NOTE: A copy of the proposed law must be attached to this application along with a statement indicating whether or not signature gatherers will be paid for their services.

Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, Scott B. Hayashi
Name of Sponsor (please type or print)

affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

2649 E. Chalet Circle
Residence Address

Scott B. Hayashi
Sponsor's Signature

Salt Lake City, UT 84093
City, State, Zip

801-630-386-0693
Phone Number

Subscribed and affirmed before me this 7 day of November 2017

Monica S. Daly
Notary Public

My commission expires 3/3/2020

MONICA S. DALY
Notary Public State of Utah
My Commission Expires on:
March 3, 2020
Comm. Number: 689148

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Spencer J. Cox
Lieutenant Governor

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Application for an Initiative or Referendum

Utah Code 20A-7-202



PLEASE NOTE: A copy of the proposed law must be attached to this application along with a statement indicating whether or not signature gatherers will be paid for their services.

Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, BRIAN E SHIDZAWA affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

Name of Sponsor (please type or print)

3177 FT. UNION BLVD

Residence Address

Sponsor's Signature

SALT LAKE UTAH 84121 801 230 3406

City, State, Zip

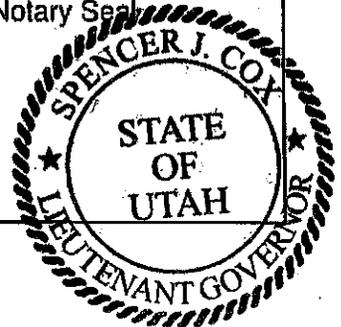
Phone Number

Notary Seal

Subscribed and affirmed before me this 7 day of NOVEMBER 2017

Notary Public

My commission expires _____



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Lieutenant Governor

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UTAH DECIDES HEALTHCARE ACT OF 2018

LONG TITLE

General Description:

This initiative amends and enacts provisions to preserve the existing eligibility requirements, categories of care and services, and provider payments in Medicaid and the Utah Children's Health Insurance Program ("CHIP"); to expand the populations eligible for Medicaid; and to fund this preservation and expansion by adding 0.15 percentage points to the current state sales tax percentage rate.

Highlighted Provisions:

This initiative:

- mandates that the eligibility requirements for Medicaid and CHIP shall not become more restrictive than the requirements in effect on January 1, 2017;
- expands Medicaid eligibility to individuals who are in the federal optional Medicaid expansion population, as defined as of January 1, 2017;
- prohibits caps on enrollment in Medicaid and CHIP beyond those in place on January 1, 2017;
- prohibits restrictions on the categories of care and services and types of benefits available under Medicaid and CHIP beyond those in place on January 1, 2017;
- mandates that the premiums, beneficiary enrollment fees, and out-of-pocket costs for Medicaid and CHIP shall not be greater than those applicable on January 1, 2017;
- mandates that payment rates to Medicaid and CHIP providers for covered care and services shall not decrease below the rates in effect on January 1, 2017, subject to an annual adjustment;
- requires that accountable care organizations that contract to provide care and services under Medicaid or CHIP may not decrease payments to providers for such services below the rate that at least one accountable care organization paid on January 1, 2017, subject to an annual adjustment, and that payments by the state to accountable care organizations shall be sufficient for organizations to comply with this mandate;
- requires the maximization of federal financial participation in funding Medicaid and CHIP;
- increases the sales tax rate by adding 0.15 percentage points to the rate that would otherwise apply, and dedicates the additional revenue to implement the measures provided for in this act and in the Medicaid program; and
- provides that its provisions are severable and supersede conflicting provisions of law.

Other Special Clauses:

This act provides a coordination clause.

This act affects sections of Utah Code Annotated 1953 as follows:

ENACTS:

26-18-3.9, Utah Code Annotated 1953

AMENDS:

26-18-3.1, as last amended by Chapter 366, Laws of 2011

59-12-103, as last amended by Chapter 234, 421, and 422, Laws of 2017

This act enacts uncodified material.

Be it enacted by the people of the State of Utah:

Section 1. Title.

This act shall be known as the "Utah Decides Healthcare Act of 2018."

Section 2. Section **26-18-3.9** is enacted to read:

26-18-3.9. Protecting and expanding the Medicaid program and Utah Children's Health Insurance Program.

(1) Findings and purpose.

(a) Findings. The People of the State of Utah find that:

(i) Adequate medical care is crucial to the health and welfare of the residents of Utah;

(ii) It is essential that all Utahns have access to medical care, including preventive care, emergency services, and hospital care;

(iii) Utah's Medicaid program and CHIP provide care to Utahns who are unable to afford private health insurance and are not eligible for other health insurance. Medicaid and CHIP are vital parts of the Utah health care system and it is essential that they continue to provide health care for the most vulnerable citizens of our state;

(iv) However, over 250,000 Utahns remain uninsured and do not have adequate access to health care. Over 100,000 of the uninsured would be covered by Medicaid if the State of Utah were to expand eligibility to all individuals who are in the federal optional Medicaid expansion population, as defined as of January 1, 2017;

(v) When people don't have access to care they are far more likely to develop chronic conditions, like diabetes or asthma, that often require expensive treatment for a patient's entire life, resulting in unnecessary suffering and driving up the cost of healthcare;

(vi) When medical providers provide care for which patients are not insured, the cost of that care is passed on to others, thus increasing the cost of medical care for all Utah residents;

(vii) It is critical to the survival of the Medicaid program that it remain adequately funded so that it can provide needed medical services to those who otherwise would not have access to care, and can compensate the providers who serve participants. The compensation to providers must be adequate to encourage providers to continue to treat patients on Medicaid; and

(viii) From moral, health and fiscal perspectives, protecting and expanding the Medicaid program in Utah is essential to maintaining the quality of life in our state.

(b) Purpose. The purpose of this measure is to preserve and strengthen medical care in the State of Utah by the following:

(i) Protecting Medicaid and CHIP so that they can continue to provide medical care to those who are currently eligible, and

(ii) Expanding Medicaid eligibility to adults who are in the federal optional Medicaid expansion population, as defined as of January 1, 2017.

(2) Eligibility. Eligibility for the Medicaid program shall be maintained for presently eligible individuals and expanded to cover additional low-income individuals.

(a) The standards, methodologies, and procedures for determining eligibility for the Medicaid program and CHIP shall be no more restrictive than the eligibility standards, methodologies, and procedures, respectively, that were in effect on January 1, 2017.

(b) Notwithstanding Sections 26-18-18 and 63J-5-204, beginning April 1, 2019, eligibility for the Medicaid program shall be expanded to include all persons in the optional Medicaid expansion population under the Patient Protection and Affordable Care Act, Pub. L. No. 111-148 and the Health Care Education Reconciliation Act of 2010, Pub. L. No. 111-152, and related federal regulations and guidance, as those statutory and regulatory provisions and guidance existed on January 1, 2017.

(c) There shall be no caps on enrollment beyond those in place as of January 1, 2017.

(d) The eligibility criteria in Subsection (2)(b) shall be construed to include all individuals eligible for the health coverage improvement program under Section 26-18-411.

(3) Care and Services. For each enrollment group or category in the Medicaid program and CHIP, the categories of care or services and the types of benefits provided in each category shall be no more restrictive than the categories of care or services and the types of benefits provided on January 1, 2017. Such services and benefits shall be provided in sufficient amount, duration, and scope to achieve their purposes.

(4) Out-of-Pocket Costs. Any premium, beneficiary enrollment fee, and cost sharing requirement applicable to care and services described in this section, including but not limited to co-pay, co-insurance, deductible, or out-of-pocket maximum, shall be no greater than those in effect on January 1, 2017.

(5) Provider payments.

(a) Payments to providers under the Medicaid program and CHIP for covered care and services shall be made at a rate not less than 100% of the payment rate that applied to such care and services on January 1, 2017, and shall increase annually at a rate not less than the region's Consumer Price Index.

(b) Managed care.

(i) If the department contracts with an accountable care organization or other organization to cover care and services under the Medicaid program or CHIP, a contract with that organization shall provide that the organization shall make payments to providers for items and services that are subject to the contract and that are furnished to individuals eligible for the Medicaid program or CHIP at a rate not less than 100% of the payment rate that at least one accountable care organization that contracted with the department paid for such care and services on January 1, 2017 (regardless of the manner in which such payments are made, including in the form of capitation or partial capitation), and that the minimum payment required by this provision will increase annually at a rate not less than the region's Consumer Price Index.

(ii) Payments by the department to accountable care organizations or such other organizations shall be sufficient for the organizations to comply with the provider payment rate requirements of this section.

(c) This subsection shall not apply to physician reimbursement for drugs or devices.

(6) Nothing in this section shall prevent the people acting through initiative, the Legislature by statute, or the department by promulgating rules from:

(a) Expanding eligibility by adopting less restrictive eligibility standards, methodologies, or procedures than those permitted by Subsection (2);

(b) Expanding covered care and services by adding to the list, amount, duration, or scope of covered care and services required by Subsection (3);

(c) Reducing cost sharing below the maximum levels permitted by Subsection (4); or

(d) Increasing provider payments above the minimum payments required by Subsection (5).

(7) For purposes of this section:

(a) The "Medicaid program" means the Medicaid program defined by Section 26-18-2, including any waivers.

(b) The "Utah Children's Health Insurance Program" or "CHIP" means the Utah Children's Health Insurance Program created in Chapter 40, Utah Children's Health Insurance Act.

(8) The department shall maximize federal financial participation in implementing this section, including by seeking to obtain any necessary federal approvals or waivers.

(9) This section and Section 26-18-3.1(4) shall not apply to CHIP in any year for which the State Children's Health Insurance Program, as described in Subchapter XXI, 42 U.S.C. Sec. 1397aa et seq., is not extended at the federal level.

(10) Notwithstanding Sections 17-43-201 and 17-43-301, a county does not have to provide matching funds to the state for the cost of providing Medicaid services to

newly enrolled individuals who qualify for Medicaid coverage under Subsection (2)(b) or Section 26-18-3.1(4).

(11) Severability. If any provision of this section or its application to any person or circumstance is held invalid, the remainder of this section shall be given effect without the invalid provision or application, and to this end the provisions of this section are severable.

Section 3. Section **26-18-3.1** is amended to read:

26-18-3.1. Medicaid expansion

- (1) The purpose of this section is to expand the coverage of the Medicaid program to persons who are in categories traditionally not served by that program.
- (2) Within appropriations from the Legislature, the department may amend the state plan for medical assistance to provide for eligibility for Medicaid:
 - (a) on or after July 1, 1994, for children 12 to 17 years old who live in households below the federal poverty income guideline; and
 - (b) on or after July 1, 1995, for persons who have incomes below the federal poverty income guideline and who are aged, blind, or have a disability.
- (3) (a) Within appropriations from the Legislature, on or after July 1, 1996, the Medicaid program may provide for eligibility for persons who have incomes below the federal poverty income guideline.
 - (b) In order to meet the provisions of this Subsection, the department may seek approval for a demonstration project under 42 U.S.C. Section 1315 from the secretary of the United States Department of Health and Human Services. This demonstration project may also provide for the voluntary participation of private firms that:
 - (i) are newly established or marginally profitable;
 - (ii) do not provide health insurance to their employees;
 - (iii) employ predominantly low wage workers; and
 - (iv) are unable to obtain adequate and affordable health care insurance in the private market.
- (4) The Medicaid program shall provide for eligibility for persons as required by Section 26-18-3.9(2).
- (5) Subject to the requirements of Section 26-18-3.9(2) and (3), services [Services] available for persons described in this section shall include required Medicaid services and may include one or more optional Medicaid services if those services are funded by the Legislature. Subject to the requirements of Section 26-18-3.9(2), the [The] department may also require persons described in this section to meet an asset test.

Section 4. Section **59-12-103** is amended to read:

59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use tax revenues.

...

- (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax is imposed on a transaction described in Subsection (1) equal to the sum of:
- (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
 - (A) (I) through March 31, 2019, 4.70%; and
(II) beginning on April 1, 2019, 4.70% plus the rate specified in Subsection (14)(a); and
 - (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and
(II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
 - (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.

...

- (7)
- (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1, 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124:
- (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of the revenues collected from the following taxes, which represents a portion of the approximately 17% of sales and use tax revenues generated annually by the sales and use tax on vehicles and vehicle-related products:
 - (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
 - (B) the tax imposed by Subsection (2)(b)(i);
 - (C) the tax imposed by Subsection (2)(c)(i); and
 - (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus
 - (ii) an amount equal to 30% of the growth in the amount of revenues collected in the current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) that exceeds the amount collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.

...

(8)

...

(c)

(i) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under Subsections (6) and (7), and subject to Subsection (8)(c)(ii), for a fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following taxes:

(A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

(B) the tax imposed by Subsection (2)(b)(i);

(C) the tax imposed by Subsection (2)(c)(i); and

(D) the tax imposed by Subsection (2)(d)(i)(A)(I).

(ii) For a fiscal year beginning on or after July 1, 2019, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(c)(i) by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.

...

(13) Notwithstanding Subsections (4) through (12) and (14), an amount required to be expended or deposited in accordance with Subsections (4) through (12) and (14) may not include an amount the Division of Finance deposits in accordance with Section 59-12-103.2.

...

(14) (a) The rate specified in this subsection is 0.15%.

(b) Notwithstanding Subsection (3)(a), the Division of Finance shall annually transfer the amount of revenue generated by a 0.15% tax rate on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) as dedicated credits to the Division of Health Care Financing for the following uses:

(i) implementation of the Medicaid expansion described in Sections 26-18-3.1(4) and 26-18-3.9(2)(b);

(ii) if revenue remains after the use specified in Subsection (14)(b)(i), other measures required by Section 26-18-3.9; and

(iii) if revenue remains after the uses specified in Subsections (14)(b)(i) and (ii), other measures described in Chapter 18, Medical Assistance Act.

Section 5. Competing Measures and Conflicting Provisions.

It is the intent of the People that, notwithstanding Section 20A-7-211(3)(b) or any other provision of law, the 0.15 percent increase to the state sales tax in Section 4 be enacted notwithstanding any other increase or adjustment to such rate enacted by the Legislature or by any law submitted to the people by initiative petition that is approved by the voters at the same election. It is also the intent of the People that the enactment of the Utah Decides Healthcare Act of 2018 accomplish the purposes identified in Section 2 and that this act supersede any other provision of law that conflicts with this act. This section shall not be construed to alter the power given to the Legislature under Section 20A-7-212(3)(b).

Section 6. Coordinating the Utah Decides Healthcare Act of 2018 with the Teacher and Student Success Act.

If this act and the Teacher and Student Success Act, an initiative sponsored by Our Schools Now, are both approved by the voters at the same election, it is the intent of the People that the Office of Legislative Research and General Counsel prepare the amendments to Section 59-12-103 in this act and the Teacher and Student Success Act for publication in the Utah Code by amending Subsections 59-12-103(2)(a), (7)(a), (8)(c), and (13) and adding Subsections 59-12-103(14) and (15) to read:

- (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax is imposed on a transaction described in Subsection (1) equal to the sum of:
 - (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
 - (A) (I) through March 31, 2019, 4.70%; and
 - (II) beginning on April 1, 2019, 5.15% plus the rate specified in Subsection (15)(a);
 - (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and
 - (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
 - (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.
- ...
- (7)
 - (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or

after July 1, 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124:

(i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of the revenues collected from the following taxes, which represents a portion of the approximately 17% of sales and use tax revenues generated annually by the sales and use tax on vehicles and vehicle-related products:

- (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- (B) the tax imposed by Subsection (2)(b)(i);
- (C) the tax imposed by Subsection (2)(c)(i); and
- (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

(ii) an amount equal to 30% of the growth in the amount of revenues collected in the current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) that exceeds the amount collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.

...

(8)

...

(c)

(i) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under Subsections (6) and (7), and subject to Subsection (8)(c)(ii), for a fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following taxes:

- (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- (B) the tax imposed by Subsection (2)(b)(i);
- (C) the tax imposed by Subsection (2)(c)(i); and
- (D) the tax imposed by Subsection (2)(d)(i)(A)(I).

(ii) For a fiscal year beginning on or after July 1, 2019, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(c)(i) by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.

...

(13) Notwithstanding Subsections (4) through (12) and (14) and (15), an amount required to be expended or deposited in accordance with Subsections (4) through

(12) and (14) and (15) may not include an amount the Division of Finance deposits in accordance with Section 59-12-103.2.

(14) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1, 2019, the Division of Finance shall deposit into the Income and Sales Tax Growth Account created in Section 63J-1-316 the amount of tax collected from a .45% tax rate on the transactions described in Subsection (1) that are subject to the state sales and use tax under Section 59-12-103(2)(a)(i)(A).

(15) (a) The rate specified in this subsection is 0.15%.

(b) Notwithstanding Subsection (3)(a), the Division of Finance shall annually transfer the amount of revenue generated by a 0.15% tax rate on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) as dedicated credits to the Division of Health Care Financing for the following uses:

(i) implementation of the Medicaid expansion described in Sections 26-18-3.1(4) and 26-18-3.9(2)(b);

(ii) if revenue remains after the use specified in Subsection (15)(b)(i), other measures required by Section 26-18-3.9; and

(iii) if revenue remains after the uses specified in Subsections (15)(b)(i) and (ii), other measures described in Chapter 18, Medical Assistance Act.

Section 7. Severability.

It is the intent of the People that the provisions of this act are severable and that if any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of this act shall be given effect without the invalid provision or application.

END OF UTAH DECIDES HEALTHCARE ACT

Persons gathering signatures for the petition may be paid for doing so.

This initiative seeks to increase the current state sales tax rate by 0.15 percent, resulting in a 3.2 percent increase in the current state sales tax rate.

Application for an Initiative or Referendum

Utah Code 20A-7-202



PLEASE NOTE: A copy of the proposed law must be attached to this application along with a statement indicating whether or not signature gatherers will be paid for their services.

Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, Alan K. Ormsby affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.
Name of Sponsor (please type or print)

1320 E MILNE LN

Residence Address

Alan K. Ormsby

Sponsor's Signature

MIDVALE UT 84047

City, State, Zip

801-739-3816

Phone Number

Notary Seal

Subscribed and affirmed before me this 10 day of November 2017

Adam Huefner

Notary Public

My commission expires 6-10-20



ADAM HUEFNER

Notary Public • State of Utah

Commission # 689412

My Commission Expires

June 10, 2020

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Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, Karina Andelin Brown affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.
Name of Sponsor (please type or print)

5331 Sleepy Hollow Lane Karina Andelin Brown
Residence Address Sponsor's Signature

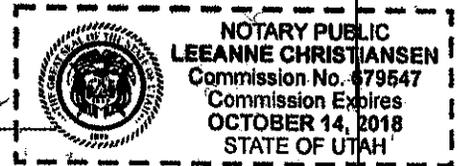
Abley, UT 84321 435-881-2798
City, State, Zip Phone Number

Subscribed and affirmed before me this 10th day of November 2017

LeeAnne Christiansen
Notary Public

My commission expires 10-14-18

Notary Seal



State of Utah Salt Lake ; s
County of Salt Lake ; s
On this 10th day of November, in the year 2017,
before me LeeAnne Christiansen, a notary public,
personally appeared Karina A Brown,
proved on the basis of satisfactory evidence to be the person(s)
whose name(s) (is/are) subscribed to this instrument, and acknowledged
(he/she/they) execute the same. Witness my hand and official seal.

Notary Public LeeAnne Christiansen Commission Expires 11-10-2018

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NOV 15 2017

Spencer J. Cox
Lieutenant Governor

Date Received

Application for an Initiative or Referendum

Utah Code 20A-7-202



PLEASE NOTE: A copy of the proposed law must be attached to this application along with a statement indicating whether or not signature gatherers will be paid for their services.

Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, Mary Elizabeth Armstrong, affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

Name of Sponsor (please type or print)

2574 Aspen Springs Dr. Mary E Armstrong

Residence Address

Sponsor's Signature

Park City, UT 84060 4356476831

City, State, Zip

Phone Number

Notary Seal

Subscribed and affirmed before me this 17 day of Nov 2017

Cindy Keyes
Notary Public

My commission expires 6-13-21



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Utah State Capitol
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Salt Lake City, UT 84114-2325
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PLEASE NOTE: A copy of the proposed law must be attached to this application along with a statement indicating whether or not signature gatherers will be paid for their services.

Please type or print

Application must be completed by five sponsors

Sponsor Statement

1. Scott B. Hayashi
Name of Sponsor (please type or print)

affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

2649 E. Chalet Circle
Residence Address

Scott B. Hayashi
Sponsor's Signature

Cottonwood Heights UT
City, State, Zip

89043

630-386-0623
Phone Number

Notary Seal

Subscribed and affirmed before me this 13 day of Nov 2017

Angela Rogers
Notary Public

My commission expires January 28, 2021



ANGELA D. ROGERS
Notary Public State of Utah
My Commission Expires on:
January 28, 2021
Comm. Number: 695149

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Utah State Capitol
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Salt Lake City, UT 84114-2325
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Spencer J. Cox
Lieutenant Governor

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Application for an Initiative or Referendum

Utah Code 20A-7-202



PLEASE NOTE: A copy of the proposed law must be attached to this application along with a statement indicating whether or not signature gatherers will be paid for their services.

Please type or print

Application must be completed by five sponsors

Sponsor Statement

I, Brian Shiozawa

Name of Sponsor (please type or print)

affirm that I am a resident of Utah and I have voted in a regular general election in Utah within the last three years.

3177 Fort Union Blvd.

Residence Address

Sponsor's Signature

Salt Lake City, UT 84121

City, State, Zip

801-889-7450

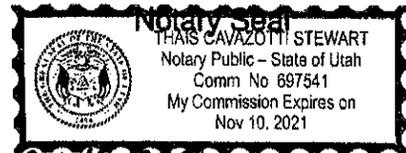
Phone Number

Subscribed and affirmed before me this 15 day of November 20 17

Notary Public

My commission expires

NOV 10, 2021



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Lieutenant Governor's Office
Utah State Capitol
Suite 220
Salt Lake City, UT 84114-2325
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Spencer J. Cox
Lieutenant Governor

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UTAH DECIDES HEALTHCARE ACT OF 2018

LONG TITLE

General Description:

This initiative amends and enacts provisions to preserve the existing eligibility requirements, categories of care and services, and provider payments in Medicaid and the Utah Children's Health Insurance Program ("CHIP"); to expand the populations eligible for Medicaid; and to fund this preservation and expansion by adding 0.15 percentage points to the current state sales tax percentage rate.

Highlighted Provisions:

This initiative:

- mandates that the eligibility requirements for Medicaid and CHIP shall not become more restrictive than the requirements in effect on January 1, 2017;
- expands Medicaid eligibility to individuals who are in the federal optional Medicaid expansion population, as defined as of January 1, 2017;
- prohibits caps on enrollment in Medicaid and CHIP beyond those in place on January 1, 2017;
- prohibits restrictions on the categories of care and services and types of benefits available under Medicaid and CHIP beyond those in place on January 1, 2017;
- mandates that the premiums, beneficiary enrollment fees, and out-of-pocket costs for Medicaid and CHIP shall not be greater than those applicable on January 1, 2017;
- mandates that payment rates to Medicaid and CHIP providers for covered care and services shall not decrease below the rates in effect on January 1, 2017, subject to an annual adjustment;
- requires that accountable care organizations that contract to provide care and services under Medicaid or CHIP may not decrease payments to providers for such services below the rate that at least one accountable care organization paid on January 1, 2017, subject to an annual adjustment, and that payments by the state to accountable care organizations shall be sufficient for organizations to comply with this mandate;
- requires the maximization of federal financial participation in funding Medicaid and CHIP;
- increases the sales tax rate by adding 0.15 percentage points to the rate that would otherwise apply, and dedicates the additional revenue to implement the measures provided for in this act and in the Medicaid program; and
- provides that its provisions are severable and supersede conflicting provisions of law.

Other Special Clauses:

This act provides a coordination clause.

This act affects sections of Utah Code Annotated 1953 as follows:

ENACTS:

26-18-3.9, Utah Code Annotated 1953

AMENDS:

26-18-3.1, as last amended by Chapter 366, Laws of 2011

59-12-103, as last amended by Chapter 234, 421, and 422, Laws of 2017

This act enacts uncodified material.

Be it enacted by the people of the State of Utah:

Section 1. Title.

This act shall be known as the "Utah Decides Healthcare Act of 2018."

Section 2. Section 26-18-3.9 is enacted to read:

26-18-3.9. Protecting and expanding the Medicaid program and Utah Children's Health Insurance Program.

(1) Findings and purpose.

(a) Findings. The People of the State of Utah find that:

(i) Adequate medical care is crucial to the health and welfare of the residents of Utah;

(ii) It is essential that all Utahns have access to medical care, including preventive care, emergency services, and hospital care;

(iii) Utah's Medicaid program and CHIP provide care to Utahns who are unable to afford private health insurance and are not eligible for other health insurance. Medicaid and CHIP are vital parts of the Utah health care system and it is essential that they continue to provide health care for the most vulnerable citizens of our state;

(iv) However, over 250,000 Utahns remain uninsured and do not have adequate access to health care. Over 100,000 of the uninsured would be covered by Medicaid if the State of Utah were to expand eligibility to all individuals who are in the federal optional Medicaid expansion population, as defined as of January 1, 2017;

(v) When people don't have access to care they are far more likely to develop chronic conditions, like diabetes or asthma, that often require expensive treatment for a patient's entire life, resulting in unnecessary suffering and driving up the cost of healthcare;

(vi) When medical providers provide care for which patients are not insured, the cost of that care is passed on to others, thus increasing the cost of medical care for all Utah residents;

(vii) It is critical to the survival of the Medicaid program that it remain adequately funded so that it can provide needed medical services to those who otherwise would not have access to care, and can compensate the providers who serve participants. The compensation to providers must be adequate to encourage providers to continue to treat patients on Medicaid; and

(viii) From moral, health and fiscal perspectives, protecting and expanding the Medicaid program in Utah is essential to maintaining the quality of life in our state.

(b) Purpose. The purpose of this measure is to preserve and strengthen medical care in the State of Utah by the following:

(i) Protecting Medicaid and CHIP so that they can continue to provide medical care to those who are currently eligible, and

(ii) Expanding Medicaid eligibility to adults who are in the federal optional Medicaid expansion population, as defined as of January 1, 2017.

(2) Eligibility. As set forth in Subsections (2)(a) through (2)(d), eligibility criteria for the Medicaid program shall be maintained as they existed on January 1, 2017 and also expanded to cover additional low-income individuals.

(a) The standards, methodologies, and procedures for determining eligibility for the Medicaid program and CHIP shall be no more restrictive than the eligibility standards, methodologies, and procedures, respectively, that were in effect on January 1, 2017.

(b) Notwithstanding Sections 26-18-18 and 63J-5-204, beginning April 1, 2019, eligibility for the Medicaid program shall be expanded to include all persons in the optional Medicaid expansion population under the Patient Protection and Affordable Care Act, Pub. L. No. 111-148 and the Health Care Education Reconciliation Act of 2010, Pub. L. No. 111-152, and related federal regulations and guidance, as those statutory and regulatory provisions and guidance existed on January 1, 2017.

(c) There shall be no caps on enrollment beyond those in place as of January 1, 2017.

(d) The eligibility criteria in Subsection (2)(b) shall be construed to include all individuals eligible for the health coverage improvement program under Section 26-18-411.

(3) Care and Services. For each enrollment group or category in the Medicaid program and CHIP, the categories of care or services and the types of benefits provided in each category shall be no more restrictive than the categories of care or services and the types of benefits provided on January 1, 2017. Such services and benefits shall be provided in sufficient amount, duration, and scope to achieve their purposes.

(4) Out-of-Pocket Costs. Any premium, beneficiary enrollment fee, and cost sharing requirement applicable to care and services described in this section, including but not limited to co-pay, co-insurance, deductible, or out-of-pocket maximum, shall be no greater than those in effect on January 1, 2017.

(5) Provider payments.

(a) Payments to providers under the Medicaid program and CHIP for covered care and services shall be made at a rate not less than 100% of the payment rate that

applied to such care and services on January 1, 2017, and shall increase annually at a rate not less than the region's Consumer Price Index.

(b) Managed care.

(i) If the department contracts with an accountable care organization or other organization to cover care and services under the Medicaid program or CHIP, a contract with that organization shall provide that the organization shall make payments to providers for items and services that are subject to the contract and that are furnished to individuals eligible for the Medicaid program or CHIP at a rate not less than 100% of the payment rate that at least one accountable care organization that contracted with the department paid for such care and services on January 1, 2017 (regardless of the manner in which such payments are made, including in the form of capitation or partial capitation), and that the minimum payment required by this provision will increase annually at a rate not less than the region's Consumer Price Index.

(ii) Payments by the department to accountable care organizations or such other organizations shall be sufficient for the organizations to comply with the provider payment rate requirements of this section.

(c) This subsection (5) shall not apply to physician reimbursement for drugs or devices.

(6) Nothing in this section shall prevent the people acting through initiative, the Legislature by statute, or the department by promulgating rules from:

(a) Expanding eligibility by adopting less restrictive eligibility standards, methodologies, or procedures than those permitted by Subsection (2);

(b) Expanding covered care and services by adding to the list, amount, duration, or scope of covered care and services required by Subsection (3);

(c) Reducing premiums, beneficiary enrollment fees, or cost sharing requirements below the maximum levels permitted by Subsection (4); or

(d) Increasing provider payments above the minimum payments required by Subsection (5).

(7) For purposes of this section:

(a) The "Medicaid program" means the Medicaid program defined by Section 26-18-2, including any waivers.

(b) The "Utah Children's Health Insurance Program" or "CHIP" means the Utah Children's Health Insurance Program created in Chapter 40, Utah Children's Health Insurance Act.

(8) The department shall maximize federal financial participation in implementing this section, including by seeking to obtain any necessary federal approvals or waivers.

(9) This section and Section 26-18-3.1(4) shall not apply to CHIP in any year for which the State Children's Health Insurance Program, as described in Subchapter XXI, 42 U.S.C. Sec. 1397aa et seq., is not extended at the federal level.

(10) Notwithstanding Sections 17-43-201 and 17-43-301, a county does not have to provide matching funds to the state for the cost of providing Medicaid services to newly enrolled individuals who qualify for Medicaid coverage under Subsection (2)(b).

(11) Severability. If any provision of this section or its application to any person or circumstance is held invalid, the remainder of this section shall be given effect without the invalid provision or application, and to this end the provisions of this section are severable.

Section 3. Section **26-18-3.1** is amended to read:

26-18-3.1. Medicaid expansion

- (1) The purpose of this section is to expand the coverage of the Medicaid program to persons who are in categories traditionally not served by that program.
- (2) Within appropriations from the Legislature, the department may amend the state plan for medical assistance to provide for eligibility for Medicaid:
 - (a) on or after July 1, 1994, for children 12 to 17 years old who live in households below the federal poverty income guideline; and
 - (b) on or after July 1, 1995, for persons who have incomes below the federal poverty income guideline and who are aged, blind, or have a disability.
- (3) (a) Within appropriations from the Legislature, on or after July 1, 1996, the Medicaid program may provide for eligibility for persons who have incomes below the federal poverty income guideline.
 - (b) In order to meet the provisions of this subsection, the department may seek approval for a demonstration project under 42 U.S.C. Section 1315 from the secretary of the United States Department of Health and Human Services. This demonstration project may also provide for the voluntary participation of private firms that:
 - (i) are newly established or marginally profitable;
 - (ii) do not provide health insurance to their employees;
 - (iii) employ predominantly low wage workers; and
 - (iv) are unable to obtain adequate and affordable health care insurance in the private market.
- (4) The Medicaid program shall provide for eligibility for persons as required by Section 26-18-3.9(2).
- (5) Subject to the requirements of Section 26-18-3.9(2) and (3), services [Services] available for persons described in this section shall include required Medicaid services and may include one or more optional Medicaid services if those services are funded by the Legislature. Subject to the requirements of Section 26-18-3.9(2), the [The] department may also require persons described in this section to meet an asset test.

Section 4. Section **59-12-103** is amended to read:

59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use tax revenues.

...

- (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax is imposed on a transaction described in Subsection (1) equal to the sum of:
- (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
 - (A) (I) through March 31, 2019, 4.70%; and
(II) beginning on April 1, 2019, 4.70% plus the rate specified in Subsection (14)(a); and
 - (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and
(II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
 - (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.

...

- (7)
- (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1, 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124:
- (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of the revenues collected from the following taxes, which represents a portion of the approximately 17% of sales and use tax revenues generated annually by the sales and use tax on vehicles and vehicle-related products:
 - (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
 - (B) the tax imposed by Subsection (2)(b)(i);
 - (C) the tax imposed by Subsection (2)(c)(i); and
 - (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus
 - (ii) an amount equal to 30% of the growth in the amount of revenues collected in the current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) that exceeds the amount collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.

...

(8)

...

(c)

(i) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under Subsections (6) and (7), and subject to Subsection (8)(c)(ii), for a fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following taxes:

(A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

(B) the tax imposed by Subsection (2)(b)(i);

(C) the tax imposed by Subsection (2)(c)(i); and

(D) the tax imposed by Subsection (2)(d)(i)(A)(I).

(ii) For a fiscal year beginning on or after July 1, 2019, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(c)(i) by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.

...

(13) Notwithstanding Subsections (4) through (12) and (14), an amount required to be expended or deposited in accordance with Subsections (4) through (12) and (14) may not include an amount the Division of Finance deposits in accordance with Section 59-12-103.2.

(14) (a) The rate specified in this subsection is 0.15%.

(b) Notwithstanding Subsection (3)(a), the Division of Finance shall:

(i) on or before September 30, 2019, transfer the amount of revenue generated by a 0.15% tax rate imposed beginning on April 1, 2019, and ending on June 30, 2019, on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) as dedicated credits to the Division of Health Care Financing; and

(ii) for a fiscal year beginning on or after fiscal year 2019-20, annually transfer the amount of revenue generated by a 0.15% tax rate on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) as dedicated credits to the Division of Health Care Financing.

(c) The revenue described in Subsection (14)(b) that the Division of Finance transfers to the Division of Health Care Financing as dedicated credits shall be expended for the following uses:

(i) implementation of the Medicaid expansion described in Sections 26-18-3.1(4) and 26-18-3.9(2)(b);

(ii) if revenue remains after the use specified in Subsection (14)(c)(i), other measures required by Section 26-18-3.9; and

(iii) if revenue remains after the uses specified in Subsections (14)(c)(i) and (ii), other measures described in Title 26, Chapter 18, Medical Assistance Act.

Section 5. Competing Measures and Conflicting Provisions.

It is the intent of the People that, notwithstanding Section 20A-7-211(3)(b) or any other provision of law, the 0.15 percent increase to the state sales tax in Section 4 be enacted notwithstanding any other increase or adjustment to such rate enacted by the Legislature or by any law submitted to the people by initiative petition that is approved by the voters at the same election. It is also the intent of the People that the enactment of the Utah Decides Healthcare Act of 2018 accomplish the purposes identified in Section 2 and that this act supersede any other provision of law that conflicts with this act. This section shall not be construed to alter the power given to the Legislature under Section 20A-7-212(3)(b).

Section 6. Coordinating the Utah Decides Healthcare Act of 2018 with the Teacher and Student Success Act.

If this act and the Teacher and Student Success Act, an initiative sponsored by Our Schools Now, are both approved by the voters at the same election, it is the intent of the People that the Office of Legislative Research and General Counsel prepare the amendments to Section 59-12-103 in this act and the Teacher and Student Success Act for publication in the Utah Code by amending Subsections 59-12-103(2)(a), (7)(a), (8)(c), and (13) and adding Subsections 59-12-103(14) and (15) to read:

- (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax is imposed on a transaction described in Subsection (1) equal to the sum of:
- (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
 - (A) (I) through March 31, 2019, 4.70%; and
 - (II) beginning on April 1, 2019, 5.15% plus the rate specified in Subsection (15)(a); and
 - (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional State Sales and Use Tax Act; and
 - (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
 - (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.

...

(7)

(a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1, 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124:

(i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of the revenues collected from the following taxes, which represents a portion of the approximately 17% of sales and use tax revenues generated annually by the sales and use tax on vehicles and vehicle-related products:

(A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

(B) the tax imposed by Subsection (2)(b)(i);

(C) the tax imposed by Subsection (2)(c)(i); and

(D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

(ii) an amount equal to 30% of the growth in the amount of revenues collected in the current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) that exceeds the amount collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.

...

(8)

...

(c)

(i) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under Subsections (6) and (7), and subject to Subsection (8)(c)(ii), for a fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following taxes:

(A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

(B) the tax imposed by Subsection (2)(b)(i);

(C) the tax imposed by Subsection (2)(c)(i); and

(D) the tax imposed by Subsection (2)(d)(i)(A)(I).

(ii) For a fiscal year beginning on or after July 1, 2019, the commission shall annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(c)(i) by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.

...

- (13) Notwithstanding Subsections (4) through (12) and (14) and (15), an amount required to be expended or deposited in accordance with Subsections (4) through (12) and (14) and (15) may not include an amount the Division of Finance deposits in accordance with Section 59-12-103.2.
- (14) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1, 2019, the Division of Finance shall deposit into the Income and Sales Tax Growth Account created in Section 63J-1-316 the amount of tax collected from a .45% tax rate on the transactions described in Subsection (1) that are subject to the state sales and use tax under Section 59-12-103(2)(a)(i)(A).
- (15) (a) The rate specified in this subsection is 0.15%.
- (b) Notwithstanding Subsection (3)(a), the Division of Finance shall:
- (i) on or before September 30, 2019, transfer the amount of revenue generated by a 0.15% tax rate imposed beginning on April 1, 2019, and ending on June 30, 2019, on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) as dedicated credits to the Division of Health Care Financing; and
 - (ii) for a fiscal year beginning on or after fiscal year 2019-20, annually transfer the amount of revenue generated by a 0.15% tax rate on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) as dedicated credits to the Division of Health Care Financing.
- (c) The revenue described in Subsection (15)(b) that the Division of Finance transfers to the Division of Health Care Financing as dedicated credits shall be expended for the following uses:
- (i) implementation of the Medicaid expansion described in Sections 26-18-3.1(4) and 26-18-3.9(2)(b);
 - (ii) if revenue remains after the use specified in Subsection (15)(c)(i), other measures required by Section 26-18-3.9; and
 - (iii) if revenue remains after the uses specified in Subsections (15)(c)(i) and (ii), other measures described in Title 26, Chapter 18, Medical Assistance Act.

Section 7. Severability.

It is the intent of the People that the provisions of this act are severable and that if any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of this act shall be given effect without the invalid provision or application.

END OF UTAH DECIDES HEALTHCARE ACT

Persons gathering signatures for the petition may be paid for doing so.

This initiative seeks to increase the current state sales tax rate by 0.15 percent, resulting in a 3.2 percent increase in the current state sales tax rate.

STATE OF UTAH



OFFICE OF THE LIEUTENANT GOVERNOR

2018 STATEWIDE INITIATIVES

I, Spencer J. Cox, Lieutenant Governor, do hereby declare the UTAH DECIDES HEALTHCARE ACT OF 2018 initiative sufficient to be submitted to the voters of Utah for their approval or rejection.

IN WITNESS WHEREOF,
I have hereunto set my hand and affixed the
Great Seal of the State of Utah at Salt Lake
City, this 29th day of May, 2018.




Spencer J. Cox
Lieutenant Governor

Ballot Title for Proposition Number 3

Shall a law be enacted to:

- expand the state Medicaid health coverage program to include coverage, based on income, for previously ineligible low-income adults;
- maintain the following as they existed on January 1, 2017:
 - eligibility standards, benefits, and patient costs for Medicaid and the Children’s Health Insurance Program (CHIP); and
 - the payment rate for healthcare providers under Medicaid and CHIP; and
- use the tax increase described below to pay for Medicaid and CHIP?

This initiative seeks to increase the current state sales tax rate by 0.15%, resulting in a 3.191% increase in the current tax rate.