



ALLIANCE FOR A HEALTHY KANSAS

To: House Health and Human Services Committee

From: David Jordan

Date: February 8, 2017

RE: Support of HB 2064

Thank you, Chairman Hawkins and Committee members for allowing me the opportunity to provide testimony in support of HB 2064, The Bridge to a Healthy Kansas.

My name is David Jordan. I am the Executive Director of the Alliance for a Healthy Kansas. The Alliance for a Healthy Kansas is a broad-based statewide coalition of organizations that have come together to improve the health of Kansans. Our first policy goal is to improve access to care by expanding KanCare, the Kansas Medicaid program. Alliance members include business leaders, doctors and hospitals, social service and safety net organizations, faith communities, chambers of commerce, advocates for health care consumers, and others.

While the work to expand KanCare has spanned the last several years, the Alliance formally launched its work last spring. Over the last eight months, we have held 36 community meetings across Kansas that directly engaged thousands of Kansans. Over the course of our work, it has become very clear that expanding KanCare impacts and will benefit all Kansans. We also discovered that Kansans overwhelmingly support expanding KanCare.

One of the first stops on our tour of Kansas was in Dodge City where Chelsea Edgers waited on us at dinner after an event. She would be here today but had to fill-in a shift at work. Chelsea has a young son, is a part-time college student and waits tables to pay the bills. She is in the coverage gap and uninsured. Like thousands of other Kansans who work to pay bills and support their families, Chelsea makes too much money to qualify for KanCare and not enough to qualify for financial assistance to buy private insurance.

Expanding KanCare would benefit Kansans like Chelsea by improving their ability to get care and also reducing their likelihood of medical debt or bad credit due to unpaid bills. As a young mother who would rather work than have insurance, Chelsea is gambling her livelihood.

Soon, you'll hear from Suzann Emmons, another working Kansan in the coverage gap who fears for her health and livelihood without insurance. These are just two of the 150,000 reasons we need to expand KanCare.

You will hear from doctors and leaders of community health centers and mental health centers who will let you know that expanding KanCare will make Kansans healthier. In addition to improved health and lower death rates, Kansans who are eligible for coverage under expansion will see reduced medical debt, better credit scores, and an improved chance of finding and keeping employment. While there is a lot of talk about expanding KanCare providing a disincentive work, the opposite is true. A study of Ohio's Medicaid expansion population found that the policy improved the expansion population's employment status and prospects.

We also traveled to a number of Kansas communities whose hospitals have been harmed by the state's failure to expand KanCare. Thirty-one Kansas hospitals are considered financially vulnerable, in part because they provide millions of dollars' of care to the uninsured and do not get paid for these services.

You will hear from the CEO of Via Christi Health in Wichita, which was forced to lay off hundreds of employees because of the failure to expand KanCare. You will also hear from the leader of South Central Medical Center in Arkansas City, which is being supported by a new sales tax, passed by the community to make up for the lack of KanCare expansion. You will also hear from the League of Municipalities, which will describe how dozens of communities and their taxpayers must pay higher local taxes to support their hospitals because the state has not expanded KanCare.

Expanding KanCare will provide resources to hospitals and reduce uncompensated care costs. In turn, this will lessen the need for local taxpayers to pay higher sales, property, and district taxes to support their hospitals. Research has shown that expansion often times means the difference between profit or loss for rural hospitals. We cannot allow another closure like that experienced by Mercy Hospital in Independence – especially when we have a solution.

The closure of the hospital in Independence caused the loss of more than 190 good paying jobs. Kansas lost 9,400 private sector jobs last year. We cannot afford to lose any more any more. You will hear from leaders of the Greater Kansas City Chamber of Commerce and the Greater Wichita Chamber of Commerce, who will describe how expanding KanCare creates jobs, stimulates the economy, and helps businesses. In addition to the support of the state's two largest chambers, 18 local chambers have issued statements of support because expansion is good for their members and good for their communities.

The issue of whether or not to expand KanCare impacts every Kansas taxpayer. To date, the state has forfeited over \$1.6 billion of Kansas taxpayers' money because we have chosen not to expand KanCare. That money could have been brought back to Kansas to create jobs, protect hospitals and local taxpayers, and improve the health of Kansans. Instead our tax dollars have gone to other states that have expanded. Expanding Medicaid does not contribute to the deficit or debt because it is part of a budget neutral bill at the federal level. At the state level, expanding KanCare would help the Legislature address our budget problems. Other states have experienced positive budget impacts as a result of expansion. We project that expanding KanCare would result in a \$69.2 million net gain to the state budget in 2017.

Finally, as Congress debates the future of the ACA, expanding KanCare protects our interests. It will ensure that we maximize the amount of federal support should the law change. If the law does not change, which is a real possibility, we can bring home \$1.9 million a day to benefit all Kansans.

Expanding KanCare has strong political support. Nearly 10,000 Kansans have signed our petition in support of expanding KanCare; over 150 organizations submitted testimony to the committee; a recent American Cancer Society-Cancer Action Network poll found that 82% of Kansas voters support expanding KanCare; and many new legislators ran, in part, on the promise to expanding KanCare. Expanding KanCare makes political sense because it is good for all Kansans and Kansas. **Please, join me in supporting HB 2064.**