



To: Senate Public Health and Welfare Committee
From: Kevin Walker, Senior Vice President of Public Policy and Advocacy
Overland Park Chamber of Commerce
Date: 17 January 2020

Chairman Suellentrop and Members of the Committee:

On behalf of the more than 800 business members of the Overland Park Chamber of Commerce I appreciate the opportunity to submit testimony in support of SB 252 and Medicaid expansion.

The health care costs of low income uninsured individuals are currently being passed on to businesses and others in the system. As part of a comprehensive and thorough review, the Chamber supports Kansas solutions that improve the quality and efficiency of the current KanCare/Medicaid system while maximizing coverage to those newly eligible under the federal Affordable Care Act.

Expansion of KanCare eligibility will help as many as 150,000 working but uninsured Kansans gain access to affordable health care. It can also provide a boost to our state's economy because of a healthier and more efficient workforce and by creating as many as 3,500 – 4,000 new jobs over the next five years (according to a study by George Washington University), while reducing our overall state spending on health care. Further, expansion can aid in alleviating the strain of the increasing cost of uncompensated care that hospitals and other providers are straining to absorb as well as increasingly higher health insurance premiums being passed on to businesses and individuals as a result of those costs.

According to an analysis by Manatt Health Solutions, many of the dollars currently spent by the state in providing required health care services to the uninsured would be reimbursed by federal funds, including as much as \$75 million per year spent on mental and behavioral health care; \$29 million spent annually to reimburse hospitals and

clinics for uncompensated care they provide; and \$9 million spent annually to provide medical services to prison inmates.

Further, a thoughtful, well-designed Kansas-specific program to expand KanCare in could ultimately generate more than \$126 million in savings and new revenue, more than offsetting the predicted cost of approximately \$57.5 million, thus netting the state over \$69 million.

More than half of all Kansans have insurance coverage through their employer, but small businesses – the backbone of our economy – are less likely to offer this kind of benefit. This means their employees are left with difficult choices. A comprehensive and robust plan providing insurance coverage to as many Kansans as possible will support better health outcomes, lessen stress about medical bills and lead to increased productivity at work for these valued and hard-working employees.

For the reasons stated above, the Chamber respectfully requests that you support the creation and adoption of a robust Medicaid expansion plan. We believe SB 252 is such a plan and we urge your support.