



To: Senate Public Health and Welfare Committee

From: Rachelle Colombo Executive Director

Date: January 23, 2020

Subject: SB 252; concerning expanding Medicaid and instating a reinsurance program

The Kansas Medical Society appreciates the opportunity to submit the following comments on SB 252, which directs KDHE to develop and submit a Medicaid waiver application that would expand coverage to certain individuals with an income that is equal to or less than 138% of the federal poverty level. KMS supports SB 252.

For more than twenty years, the Kansas Medical Society has supported a public policy that all Kansans should have health insurance. To the extent that private health insurance is either unaffordable or unavailable due to health or employment status, public programs such as Medicaid should provide such coverage. The benefits of good health insurance are indisputable. Better primary and preventive care, screening for cancers, high blood pressure and other chronic illnesses, as well as early identification and treatment of diseases, will improve health outcomes, reduce disability and suffering, avoid communicable diseases, increase productivity and save dollars.

We do not dismiss the sincere concerns of those who are reluctant to expand our program for fear that the federal government will change the rules of engagement at some point in the future in a way that creates adverse financial consequences for our state. It is critical that programs for at-risk populations are sustainably funded to encourage provider participation and ensure that the cost of coverage isn't shifted to those providing the care. However, SB 252 appears to address the financial risk issue by dissolving expanded benefits if the federal medical assistance falls to less than 90% of the total cost.

Most importantly, SB 252 has the potential to cover uninsured, childless adults, many of whom are employed, or seeking employment. Today, Kansas has some of the most restrictive income qualification guidelines in the country for non-pregnant, non-disabled adults under the age of 65, even with children in the home. This population can't afford health insurance, and must either rely on care provided charitably by hospitals and physicians, or obtain care from the safety net system of clinics throughout the state. While safety net clinics are an important asset for the state, they are not a substitute for comprehensive health insurance.

Additionally, our state cannot meet the health care needs of our population in the future without a strong network of financially viable community hospitals. The public expects hospitals to care for uninsured Kansans, but their ability to do so is increasingly threatened without the support that will be made available through this legislation.

We believe SB 252 to be a fiscally responsible approach to extending coverage to a large group of low-income, uninsured individuals. We respectfully urge your support of the bill. Thank you.