



ALLIANCE FOR A
HEALTHY KANSAS

Legislative Testimony

April Holman, Executive Director

Alliance for a Healthy Kansas

Senate Committee on Public Health and Welfare

SB 252

Thursday, January 23, 2020

Chairman Suellentrop and Members of the Committee –

Thank you for allowing me the opportunity to provide testimony in support of Senate Bill 252, the KanCare Expansion agreement reached by Governor Kelly and Senate Majority Leader Denning.

My name is April Holman and 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 and individuals 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.

The members of our coalition have a variety of reasons for making KanCare Expansion a top policy priority. For some, it is a way to increase consumer access to affordable care. For others, it is a way to address provider financial difficulties caused by uncompensated care. Some partners view expansion as a way to pump billions of dollars into the Kansas economy and many partners see expansion as a moral imperative to help those in need.

Some policies that have been discussed during the years of debate on KanCare Expansion would limit the ability of expansion to achieve the priorities of our members. Policies like work requirements and lockouts have proven to limit the number of people who retain Medicaid coverage in other states. This, in turn, reduces the anticipated access to affordable care, lowers the amount of federal dollars flowing into the state economy, and diminishes the relief for uncompensated care.

Senate Bill 252 contains compromises for expansion proponents, but the Alliance for a Healthy Kansas coalition and thousands of individual advocates for expansion in our statewide network support the bill. The agreement that was reached by the Governor and Senate Majority Leader strikes a balance that preserves the benefits of expansion while it mirrors the private insurance marketplace. We respectfully urge your support for the bill as written to honor the agreement and to ensure that KanCare Expansion becomes a reality for the good of the state and for the tens of thousands of Kansans who desperately need coverage.

Alliance for a Healthy Kansas Testimony Addendum Regarding Work Requirements

The Alliance urges the Committee to keep the compromise bill clean and not add amendments, including work requirements. Work requirements for low-wage working people are difficult to structure legally and expensive to administer. Three state work requirement policies are currently enjoined by the courts and a number of other states have delayed or canceled their plans to implement work requirements. Arkansas is the only state with experience operating a work requirement and it was widely viewed as a failure. More than 18,000 people lost their insurance coverage in the first six months the policy was in place and there is no evidence that any beneficiaries found work as a result.

There are many reasons that work requirements don't enhance employment. The majority of people eligible for Medicaid expansion are already working. Those that aren't are often sick or disabled or caring for a dependent. As a result, the state would need to establish an extensive bureaucratic infrastructure to administer a policy that would only apply to a small number of beneficiaries. The costs of such infrastructure would likely exceed any savings the state would realize from reduced coverage.

In addition, many low-wage jobs have seasonal and other fluctuations in employee hours and workers often don't control the number of hours they are scheduled to work. States that have explored work requirements have found that notice to beneficiaries is difficult and beneficiaries often are not aware of or don't understand the requirements of the program. Many do not have the necessary online access to report their work hours electronically.

Medicaid itself is already a work-support program for low-income people. Health coverage is an important factor in keeping people healthy enough to participate in the workforce. By conditioning health coverage on work, work requirements get the relationship between work and health exactly backwards. Surveys of adults who gained coverage through Medicaid expansions in Ohio and Michigan demonstrate this point. Of those who were employed, a majority reported that having health coverage made it easier to work or made them better at their jobs. For those who were unemployed, a majority said it made it easier for them to look for work.

The only successful effort to enhance employment by tying Medicaid to work has occurred in the work referral program implemented in Montana. The Montana program was a model for the work referral program included in SB 252. A work referral is more effective than a work requirement.