



November 6, 2019

To: Rep. Brenda Landwehr, Committee Chair
Members of the Special Committee on Medicaid Expansion

From: Brenda R. Sharpe, President and CEO
REACH Healthcare Foundation

Subject: KanCare Expansion Offers Path Forward on Addressing Coverage for Kansans

Dear Members of the Special Committee on Medicaid Expansion:

Thank you for continuing to convene on this issue and for your service to Kansas. There is currently no more important legislation or public health policy that affects the future vitality of Kansas workers, families and seniors coming before your committee than addressing the health coverage needs of uninsured Kansans.

The REACH Healthcare Foundation is a regional health philanthropy that provides grants and other resources to increase access to health coverage and strengthen the quality of health care for uninsured and medically underserved people. The foundation has invested more than \$62 million over the past 15 years in supporting an effective health care safety net, mental health services, dental care and other health initiatives. During this time, we have seen growing interest among health providers, business leaders and health advocates in advancing KanCare as a health care solution that would address the coverage needs of Kansans who fall into the coverage gap.

As you continue discussions on approaches to KanCare expansion, we encourage you to examine the experiences of dozens of other states that have expanded for the benefit of their residents. **We believe that expanding KanCare is a fiscally sound option that would yield health improvement across the state – and support economic growth.**

The 37 states that have gone before us are leveraging Medicaid expansion today to address the health needs of their populations. Dozens of health and economic studies are available that have pinpointed the health outcomes associated with access to health coverage. Other research has reviewed the economic effects on hospitals, jobs, premature death, positive mental health and other conditions.

With an expansion, the state's return for the expanded population would be \$9 for every \$1 in state spending. Funding is based on the state's enrollment and adjusts in response to demographic and economic shifts, public health needs and other events that are beyond a state's control.

We ask you to keep in mind that the majority of uninsured, non-disabled adults under age 64 are employed, but in jobs that do not offer coverage or at a cost they can afford. These are the very people who contribute needed services for our state's economy to grow — working in industries such as construction, retail, child care, agriculture and the arts. They are neighbors, friends and family members; they live in urban, suburban and rural communities throughout the state. They should be able to work and care for their families instead of worry about how they are going to pay their doctor or local hospital for care they need.

High out-of-pocket spending for medical care is an increasingly critical issue for patients in the United States. It can lead to a depletion of assets and medical debt, as well as fear and distress about household finances. Patients may delay or forgo medical care because of cost, jeopardizing the benefits of treatment. A number of studies (American Cancer Society, Federal Reserve Bank) have found that extension of Medicaid eligibility reduced patients' out-of-pocket medical costs and non-medical debt, improving their overall financial health, compared with those living in states that did not expand Medicaid.

At a time when Kansans are urging leaders to restore the state's financial health, strengthen jobs and grow the economy, investing in our workforce and communities through KanCare expansion should be part of the Legislature's toolbox.

Thank you for your full consideration of this critical health opportunity.

A handwritten signature in cursive script that reads "Brenda R. Sharpe".

Brenda R. Sharpe
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