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Kansas Rep. Jim Kelly clashes with Cato Institute director as Medicaid expansion talks begin

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Rep. Jim Kelly clashed Wednesday with a think tank executive as lawmakers launched into discussion of Medicaid expansion for the first time this session.

Kelly, a Republican from Independence, said he grew up in a community rocked by the closure of a rural hospital.

He took issue with the assessment by Michael Cannon, director of health policy studies at the Cato Institute, who asserted that advocates of Medicaid expansion don't really want to improve people's health and that there are better ways to stimulate the economy than paying for the health care of low-income residents.

Kelly told him he was "dead wrong."

"You're the expert from Washington, but I'm the guy who lives at ground zero," Kelly said.

When the hospital in Independence closed, Kelly said, the impact rippled through every industry and school and altered the potential to attract new business.

House Republicans planned three days of talks with a rotating cast of various groups that oppose and support expansion.

The conversation follows the release Tuesday of <u>a new study by the Kansas Health Institute</u>, which estimates 130,000 adults and children would be added to the 420,000 who already receive coverage through KanCare, as Medicaid is known in Kansas.

Under the Affordable Care Act, the federal government covers 90 percent of <u>the cost for states</u> that expand Medicaid. KHI predicts the net cost for Kansas would be \$47.4 million in 2020 and \$520.8 million over 10 years.

Advocates of expansion say the cash will provide an economic benefit to the state and support struggling hospitals that are in danger of closing.

If expansion is such a good way to stimulate the economy, Cannon said, why not raise state taxes to pay for it? If someone proposed a billion-dollar tax hike in Kansas, he told Kelly, experts like him would hear about it all the way in D.C.

Instead, Cannon said, proponents want to borrow against the future. He reasoned that the federal government is already in debt, so any state that signs on for Medicaid expansion will only push the debt higher.

Cannon said Congress eventually will face a day of reckoning in a Greek-style crisis, and Medicaid will be the first program cut because poor people don't vote.

"This is the biggest decision Kansas will make that will affect the federal deficit, and it will threaten the people they're pretending to help," Cannon said.

Officials from medical-related organizations outlined a variety of scenarios in which patients would benefit from Medicaid expansion. Those who currently need mental health care are placed on a waiting list because they can't afford it. A woman might be able to get a mammogram as preventative treatment, then can't go in for a biopsy if the results are concerning. Hospitals are struggling to recruit and retain high-quality staff.

Rep. John Eplee, a Republican and physician from Atchison, said Kansans pride themselves on being fiscally responsible, but people are "literally dying."

"I've lived with that," Eplee said. "I've seen it happen. This is my life. This is what I do. I'm all about fiscal responsibility, but when I have to look patients in the eye and tell them their loved one died — their father died, their mother died, their sister, brother, whoever — their family member died because of a lack of access to care because we didn't do our job in Kansas to provide that access to care, it's extremely frustrating."

Eplee said he talked to three hospitals last week that are in immediate jeopardy and may not survive.

Rep. Brenda Landwehr, a Wichita Republican and chairwoman of the Health and Human Services Committee, presided over the unusual roundtable format. She said she wanted to know what Medicaid expansion should look like in Kansas, if it were to gain legislative approval.

Rep. Elizabeth Bishop, D-Wichita, asked whether the talks would lead to the health committee working a bill.

"I have no idea," Landwehr said. "I'm not the speaker of the House."

Gov. Laura Kelly has submitted a plan based on legislation that passed the House and Senate two years ago but was vetoed by former Gov. Sam Brownback.

"I don't have any criticism of having discussion," Bishop said, "but we've had it, and had it, over and over again. It's time for us to actually tie it to legislation. Maybe there's some things we can compromise on, but let's get to it."