

# The Columbus Dispatch

## Medicaid expansion opposed during Ohio House hearing

By: Catherine Candisky – March 14, 2013

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Conservative groups urged legislators yesterday to reject Gov. John Kasich's plan to extend tax-funded Medicaid coverage to 275,000 more poor Ohioans, arguing it would be costly and do little to reduce the number of the uninsured.

"It is wildly unrealistic to assume the federal government will maintain the Medicaid expansion's 9-to-1 matching rate. As a consequence, the Medicaid expansion will likely cost Ohio even more than the direst projections," Michael Cannon, director of health-policy studies at the Cato Institute, told a House subcommittee.

Cannon and others warned that the federal government doesn't have the money to fulfill its promise of covering 100 percent of expansion costs for the first three years and 90 percent or more after that.

"Think of the Medicaid expansion as the *Hotel California*. You can opt in, but you can't opt out," said Robert Alt, president of the Buckeye Institute for Public Policy Solutions, referring to the 1976 hit song by the Eagles. Congress, Alt said, could change the federal matching rates at any time, and if Ohio were to reverse course, it could lose all its federal Medicaid funding. Federal regulators, however, have assured states they can opt out without penalty.

Conservatives are influential with many majority Republicans in the House, who already are skeptical about Kasich's proposal to expand Medicaid eligibility to adults earning up to 138 percent of the federal poverty level, about \$18,250 a year for an individual — despite wide support from Ohio businesses, hospitals and other health-care providers, and advocates for the uninsured.

House Speaker William G. Batchelder said his caucus opposed Obamacare, which called for the Medicaid expansion, and does not want to be perceived as supporting the federal health-care law. Last summer, the U.S. Supreme Court ruled that states could not be mandated to expand their programs, but more than half are proposing to do so because of the generous federal match.

Republicans, Batchelder said, question the financial sustainability of expanding the tax-funded program and are dubious of the Obama administration's promise of continued federal support.

“I think it’s conceivable (Kasich’s proposal will pass the House), but it will be a departure from what’s currently in the bill,” the Medina lawmaker said.

Rep. Barbara Sears, R-Monclova, said she’s working on some options for Republicans. Under one scenario, Ohio would do a three-year pilot in which federal Medicaid dollars would be used to purchase private coverage for low-income Ohioans rather than giving them government coverage. Enrollees would pick from private plans, which will be offered through a new state health exchange or online marketplace where the uninsured can shop and purchase coverage.

Sears said as enrollees’ incomes increase, they would go off Medicaid but remain in the exchange where they could qualify for subsidies from the federal government and ultimately pay for the coverage themselves.

