

Free Market Friday: OHCA needs leadership

By Michael C. Carnuccio February 28, 2013

Some Republican governors, with moderate to left-leaning electorates, have accepted Obamacare's Medicaid expansion to save their political futures. Meanwhile, Gov. Mary Fallin, Oklahoma's elected leaders and policymakers in the position to make the decision, continue to strongly oppose the burdensome proposition. Such opposition is reasoned and indeed wise.

Cost estimates to the state for expanding this government program are staggering. Based on the unrefuted analysis of Jagadeesh Gokhale of the CATO Institute (entitlement expert and Social Security Advisory Board member), realistic estimates reveal that Oklahoma's share of Medicaid expansion would total about \$1.6 billion in the first seven years the state is required to pay. Expansion problems abound, as Oklahoma's secretary of health and human services noted, "If we just expand our current system, it doesn't solve the problem."

Given overwhelming public opposition to the expansion and the governor's decision, the recent actions of Oklahoma Health Care Authority CEO Mike Fogarty are nothing short of insubordination. While out on the so-called circuit as a state employee using state property, Fogarty has been presenting "It's health care, not welfare" and stating that Fallin and certain lawmakers were opposed to expanding Medicaid because "they haven't studied all the numbers."

Unfortunately, his presentation grossly underestimated costs for the expansion. The OHCA asserts that childless adults will cost a fraction of what the complete data actually reveals, in some cases more than 2.5 times higher than their projections. Lauding classic government-centric economic analysis regarding infusions of so-called free federal dollars, Fogarty fails to account for the negative economic effects that result from government first taking those precious dollars from Oklahomans, their families and the local economy.

Moreover, Fogarty offers no historical support for the accuracy of OHCA's past projections versus actual experience. He routinely proffers Obamacare's promised federal reimbursement levels, conveniently

omitting his recent House testimony that federal Medicaid reimbursements have declined 6 percentage points.

Fogarty's actions are another example of where ideologically driven, established bureaucrats take it upon themselves to continuously guide agency operations down a path directly opposed to that chosen by elected officials who are lawfully entrusted with the decision. Oklahoma needs leadership to ensure that agency personnel operate as directed. It's time for state constitutional reform to properly place agency direction and personnel authority where it belongs – in the governor's office.

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