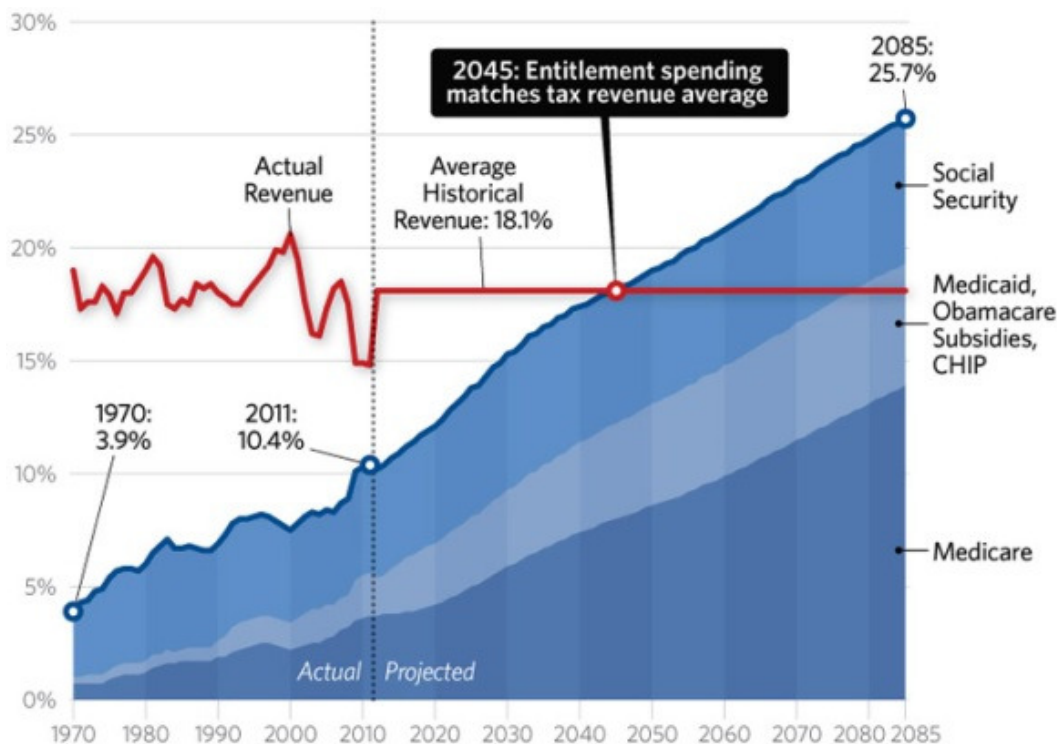




## With Medicaid Expansion, Gov. Kasich's Credibility Collapses

By: Jason Hart – February 5, 2013

Governor John Kasich's proposal to expand Medicaid eligibility in Ohio after years of criticizing the Patient Protection and Affordable Care Act (PPACA), commonly known as Obamacare, means a total collapse in Kasich's credibility on Washington spending. Kasich, a Republican, was elected in 2010 due in part to his record as a fiscal hawk in the U.S. House of Representatives.



“His decision, a huge victory for the White House that will provide cover for more Republican governors to do the same, serves as a great case study on how difficult it is to impede the growth of government,” wrote Philip Klein at *The Examiner* in DC.

“Whatever justifications Kasich may give, the actual explanation for his embrace of the Medicaid expansion is political cowardice,” Klein added. “Chastened by his failed attempt at public sector

union reform and Obama's victory in the state, Kasich is up for reelection next year. And he's afraid to stand up to the inevitable onslaught of attacks from Democrats who would charge that he was refusing to accept free money to bring health care to poor Ohioans."

Indeed, Kasich's rationale for expanding Medicaid eligibility is spelled out in a 29-page summary of his biennial budget proposal for fiscal years 2014-2015.

"This budget also takes the significant step of helping more low-income and working Ohioans have access to health care through Medicaid, for which the federal government will pay 100 percent for three years and level off at 90 percent beginning in 2020," the governor's office wrote. "While a complex decision, this reform not only helps improve the health of vulnerable Ohioans and frees up local funds for better mental health and addiction services, but it also helps prevent increases to health care premiums and potentially devastating impacts to local hospitals."

Although Washington has spent at least \$1 trillion more than its revenue every year since President Obama took office, the Kasich administration stressed the need for Ohio to get its share of federal funds, explaining, "it avoids leaving Ohioans' federal tax dollars on the table and keeps the federal government from simply giving them away to other states."

"Importantly, Ohio will roll back this extension if the federal government changes the rules," the governor's budget summary claims – as if expanded eligibility would ever realistically be revoked, should Congress some day come to terms with its spending problem.

Further cementing the fact that Kasich is embracing the growth of one of America's largest entitlement programs, his budget proposes creating a new cabinet-level Department of Medicaid.

Federal dollars come with strings, and Washington is already \$16.4 trillion in debt not including unfunded entitlement liabilities. Though he claims otherwise, Governor Kasich's support for the PPACA Medicaid expansion represents an endorsement of a law which has already broken many of President Obama's own promises.

By pushing more Ohioans into Medicaid as Kasich has called for, the Ohio General Assembly would be complicit in masking the inevitable failure of PPACA – and would further reduce the likelihood of market-based reforms.

Principled aversion and practical alternatives to Obama's government-centered approach to health care have hardly been restricted to the halls of the Heritage Foundation, American Enterprise Institute, National Review, and the Cato Institute.

"The new taxes will hurt long-term economic growth and, if history is a guide, won't be enough to pay for all the new spending," wrote John Kasich in a March 22, 2010 campaign blog post the day before Obama signed PPACA. "In the end, the federal government will just rack up higher deficits and go deeper in debt, leaving future generations to pick up the tab."

"Ohio government spending will go up also, adding to an already bleak budget picture," Kasich continued. "Instead of letting states develop innovative solutions to their respective challenges, new federal mandates will require more Medicaid spending and stick states with large and unsustainable costs."

Now, nearly three years and \$3.8 trillion in national debt later, the U.S. Supreme Court has empowered states to reject expanded Medicaid eligibility – but Governor Kasich is seeking the “large and unsustainable costs” willingly.