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Jami Reever, Executive Director Kansas Appleseed Center for Law and Justice Written Testimony Neutral on HB 2556

Thank you for allowing me the opportunity to submit testimony on HB 2556. My name is Jami Reever and I am the Executive Director at Kansas Appleseed. Kansas Appleseed Center for Law and Justice is a nonprofit, nonpartisan organization dedicated to the belief that Kansans, working together, can build a state of thriving, inclusive, and just communities.

Kansas Appleseed is neutral on HB 2556. We support medicaid expansion as a policy decision that would allow Kansans to thrive in just communities through the expanded healthcare access, increased financial security, and economic mobility it provides. However, we are opposed to work requirements currently in this bill.

Medicaid expansion helps alleviate the financial burden that prevents so many Kansans from thriving. Right now, more than 150,000 Kansans, including 45,000 children, fall into a health coverage gap Kansas' failure to expand Medicaid has created. Expanding eligibility will support the most vulnerable and hardworking Kansans. Expanding medicaid to all adults ages 19-64 with family income at or below 138 percent of the federal poverty level would provide coverage to 66,000 Kansans who are currently uninsured and ineligible. It would also expand eligibility to 16,000 uninsured Kansas children. 75% of Kansans who would be eligible for medicaid coverage under the expansion are part of working families. That is needed medical and financial help for thousands of Kansans who struggle everyday to get by, despite being employed.

Medicaid expansion means that all families who have been struggling to make ends meet, would now have medical coverage and would no longer be paying for medical needs out-of-pocket, facing high insurance premiums, or be one medical emergency away from not being able to feed their families, pay their bills, or keep their homes. A trip to the grocery store will tell you how dramatically costs are rising for simple necessities like milk and bread for Kansans trying to take care of themselves and their families.

Healthcare is no exception to the ever increasing costs we face, and right now all Kanans are paying the costs of the failure of the state to expand medicaid. They pay through higher shares of health insurance premiums in employer-sponsored plans, higher costs of services, higher local taxes to support state spending in lieu of federal funding already paid for with tax dollars, and hospital closures in vulnerable areas of the state.³ Expanding medicaid will bring healthcare

¹ Schmidt, S., Cink, K., Uridge, E., and Rowell, S. C. "2024 Medicaid Expansion Estimates: Enrollment, Costs and Characteristics of the Expansion Population." Kansas Health Institute. 2024.

https://www.khi.org/articles/2024-medicaid-expansion-estimates/?utm_medium=email&utm_source=sharpspring&sslid=MzIAAINLSvNLCzMzI3MA&sseid=MzIzMic3MbcwMQYA&iobid=8035fcf1-a5b0-4cb5-8784-289e18d40dfa

² Kaiser Family Foundation. "Who Could Medicaid Reach with Expansion in Kansas?" Fact Sheet KS. 2020. https://files.kff.org/attachment/fact-sheet-medicaid-expansion-KS

³ Ginther, D. K., Davut, A., and Slusky, D. J. G. "Economic Costs to Kansas Due to State's Failure to Expand Medicaid." 2022. https://kuscholarworks.ku.edu/handle/1808/32851



costs down for all Kansans, allowing the most vulnerable through the middle class and beyond to find relief and thrive in these trying times.

Medical debt is a financial burden to Kansans, and that affects their ability to afford food and other necessities everyday, despite having jobs. Medical debt is much higher in states without medicaid expansion. On average, people in non-expansion states owe \$375 more in medical debt. That means the nearly half of all Kansans who experience or know someone experiencing the burden of medical debt, are facing higher rates than the 40 other states in the nation that have adopted medicaid expansion. This affects the most vulnerable Kansans most. Those with medical debt are more likely to be those with disabilities, in worse health, or facing poverty. Much like the effect of not having insurance, medical debt means Kansans are foregoing medical care or prescriptions, cutting spending on food, clothing, and other items, spending their savings, borrowing large amounts of money, and having difficulty maintaining reliable housing and transportation. Expanding medicaid means more Kansans can get healthcare and avoid medical debt, maintaining health and financial stability.⁴

Expanding healthcare coverage through Medicaid to low-income Kansans will save and improve lives. For example, in states that have expanded Medicaid, annual mortality rates among near-elderly adults were reduced by 9.4%. Access to healthcare for this population is proven to reduce disease-related deaths.⁵ A review of over 600 studies that have been conducted since states first started expanding medicaid shows that expansion states have better outcomes in mortality, cancer, chronic disease, disabilities, sexual and reproductive health, behavioral health, state finances, racial disparities, socioeconomic disparities, and better social determinants of health than the states that have not expanded medicaid.⁶

Not only does not expanding medicaid harm the ability of Kansans to thrive, but our failure to expand medicaid threatens public safety by putting unnecessary strain on our criminal justice system. Kansas Department of Corrections (KDOC) spent close to \$87 million providing medical services to inmates in Fiscal Year 2023. Medicaid funding covering the costs of in-patient hospital stays exceeding 24 hours for incarcerated individuals, mental health and substance abuse services reducing the number of those incarcerated, and coverage reaching newly-released individuals reducing recidivism are estimated to save KDOC \$11 million annually. Expanding medicaid coverage will save the state money, alleviate overcrowding in

⁴ Cleaves, E. "Closing the Gap: Kancare Covers 165,000 Kansans Currently Left Out of Medicaid." Access Health News. 2023.

https://accesshealthnews.com/closing-the-gap-kancare-covers-165000-kansans-currently-left-out-of-medicaid/

⁵ National Bureau of Economic Research. "Medicaid and Mortality: New Evidence from Linked Survey and Administrative Data." 2019. https://www.nber.org/papers/w26081

⁶ Guth, M. & Ammula, M. "Building on the Evidence Base: Studies on the Effects of Medicaid Expansion." Kaiser Family Foundation. 2021.

 $[\]frac{https://www.kff.org/medicaid/report/building-on-the-evidence-base-studies-on-the-effects-of-medicaid-expansion-february-2020-to-march-2021/$

⁷ KDOC. "Annual Report for Fiscal Year 2023." https://www.doc.ks.gov/publications/Reports/fy2023-annual-report

⁸ Kansas Appleseed. "Unlock Savings: White Paper on Potential Cost Savings to Kansas Correction System through ACA Medicaid Expansion." 2019.

https://www.kansasappleseed.org/uploads/2/1/9/2/21929892/unlock_savings-_white_paper_on_potential_cost_savings to kansas correctional system through aca medicaid expansion kansas appleseed.pdf



Kansas jails and prisons, reduce recidivism, and improve public safety in Kansas to help build just communities.

If all Kansans are to thrive it is essential for Kansas to expand Medicaid to every Kansan who needs it. Health care is a necessity and should be treated as such. Promoting the general welfare is a founding principle of our Constitution. We urge the legislature to pass Medicaid expansion in a way that removes all barriers to lifesaving medicine and healthcare for every Kansan. Meaning, although we support medicaid expansion, we cannot support the work requirements in the current bill.

Work requirements prevent Kansans from getting access to medical care and are ineffective. All Kansans should have access to medical care, no matter their employment status. Work requirements are rooted in stereotypes based on race, gender, disability status, and class. They ignore the realities of the low-paid labor market, the lack of child care and paid sick and family leave, how health and disability issues and the need to care for family members affect people's lives, and ongoing labor market discrimination. Research on the relationship between work and health shows that work requirements have little impact on employment. Instead, such requirements just limit access to individuals who need services. Further, most medicaid participants already work or face barriers to work. Requiring reporting may result in the loss of coverage while not increasing employment.⁹

Failing to expand medicaid is costing Kansans every day. Costs are felt in all aspects of their lives from their health and livelihood to their budgets and ability to feed their families. Meanwhile, it is costing the state billions of dollars and undermining public safety. Medicaid expansion provides life-saving support to hardworking, low-income Kansans, saves the state money, and makes everyone safer. It is time we stop playing political games with people's lives and livelihoods. Let's eliminate all barriers to healthcare access, and pass medicaid expansion without unnecessary and ineffective work requirements.

⁹ Guth, M. and Musumeci, M. "An Overview of Medicaid Work Requirements: What Happened Under the Trump and Biden Administrations?" 2022.

https://www.kff.org/medicaid/issue-brief/an-overview-of-medicaid-work-requirements-what-happened-under-the-trump-and-biden-administrations/ and Pavettii, L. "Work Requirements Don't Cut Poverty, Evidence Shows." The Center on Budget and Policy Priorities. 2016.

https://www.cbpp.org/research/test-work-requirements-dont-cut-poverty-evidence-shows

¹⁰ Ginther, D. K., Davut, A., and Slusky, D. J. G. "Issue Brief: The Unexpected Costs of Not Expanding Medicaid in Kansas." 2022.

https://kuscholarworks.ku.edu/bitstream/handle/1808/32850/Medicaid Brief 2022.pdf?sequence=1&isAllowed=y