



TO: SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

FROM: KEN JOHNSON, PRESIDENT AND CEO OF HUTCHINSON REGIONAL HEALTHCARE SYSTEM

RE: SENATE BILL 252

It was refreshing to attend a news conference in Topeka recently to hear about the bi-partisan efforts to enact Medicaid expansion during the 2020 legislative session.

Governor Laura Kelly and Senate Majority Leader Jim Denning were front and center at the Kansas Statehouse with a group of Republican and Democratic legislators who have spent the past eight months crafting legislation that will serve the best interests of Kansas. It was good to see Hutchinson's Senator Ed Berger standing among the group of legislators who have worked tirelessly to reach this point. Representative Jason Probst was unable to attend the meeting, but provided significant input to the bi-partisan group that drafted the legislation.

Topeka's Senator Anthony Hensley, Minority Leader of the Kansas Senate, pointed out that 22 senators are co-sponsoring the legislation, 11 Republicans and 11 Democrats.

The arguments pro and con on this issue have been debated for six years and, to their credit, all sides have utilized the opportunity to express their point of view. In the meantime, plenty of proof exists that Medicaid expansion will work in Kansas as it has in the 36 states and District of Columbia that have signed on to the program. To date, not even a single state has indicated any interest to discontinue Medicaid expansion in their state.

If enacted, Medicaid expansion will provide health insurance coverage to approximately 150,000 low-income Kansans. Nearly one billion in new federal spending will be distributed throughout the Kansas economy each year going

forward which will pass through our economy creating thousands of new jobs, increased economic output, and millions in new state and local tax revenue when fully implemented. Hard working Kansans remit more than \$24 billion each year in federal income tax, so one can assume we should do all we can so as much of that money as possible is returned to our state.

Hutchinson and Reno County stands to benefit significantly from Medicaid expansion. The Alliance for a Healthy Kansas estimates that more than 1,600 Reno County residents will have health insurance who did not before and nearly 275 new jobs will be created. Based on statistics from other states who are participating in Medicaid expansion, uncompensated care, which topped \$20 million this past year at Hutchinson Regional Medical Center, is expected to decline by as much as one-third.

Success stories in other states that are participating in Medicaid expansion are numerous. In Kentucky, expanding Medicaid created thousands of new jobs along with a positive impact on the state's general fund. Arkansas reports a significant reduction in uncompensated care in their hospitals. Our neighboring state of Colorado reports significant reduction in overall spending on healthcare following Medicaid expansion.

Rural hospitals located in the less populated western regions of the state enjoy a special relationship with Hutch Regional as we assist these organizations with a wide range of medical issues including heart and vascular, oncology, orthopedics, general surgery and pulmonology services. These hospitals will receive a significant boost to continue their efforts.

Medicaid expansion will be a win-win for the 150,000 Kansans that remain uninsured, our state's hospitals and the Kansas economy. Our best wishes are with Kansas' 165-legislators and Governor Kelly as they take the final steps required to make Medicaid expansion the law of land.