



March 18, 2015

To: Representative Dan Hawkins, Chair
and Members of the House Health and Human Services Committee

From: Brenda R. Sharpe, President and CEO
REACH Healthcare Foundation

Subject: HB 2319-Expanding KanCare
Fixing the Health Care Coverage Gap for Kansas Families

Mr. Chairman and members of the Committee, I'm writing to ask you to strengthen the health of and vitality of Kansas and our people by supporting HB 2319. I am the president and CEO of the REACH Healthcare Foundation, a philanthropy dedicated to improving the health of uninsured and medically underserved people in a region that includes Allen, Johnson and Wyandotte counties in Kansas and three counties in Missouri. I've lived in Johnson County for many years, but grew up in a small community in western Kansas with many relatives still residing there; lived and worked in central Kansas; and am now raising my family in eastern Kansas – all of which has helped me understand the health and well-being of Kansas residents from several vantage points.

I would like to share with you the REACH Foundation's position – and my own personal belief – that the time is ripe to develop a Kansas-based solution to closing the health insurance coverage gap that affects thousands of hard-working, low-income Kansans. The passage of HB 2319 can help make that happen.

Over the past 10 years, the REACH Foundation has awarded \$43 million in grants to address health needs in three areas – safety net primary care, mental health and oral health – all with a goal of providing children and adults greater access to high quality and affordable health services. The programs we support are located in urban, suburban and rural areas, and benefit thousands of Kansas children, families and adults.

Since our start, the Foundation has received nearly 1,800 funding requests and supported close to 900. We have learned that philanthropy can play an important role in addressing short-term needs, providing emergency assistance, piloting innovative ideas and expanding effective programs. In fact, the State of Kansas has been a partner and co-funder with us on several important health initiatives. However, philanthropy cannot provide the resources to fill the coverage gap that leaves thousands of

Kansans without options for health insurance. While some lawmakers believe that charity is the answer, I assure you that our situation demands a systems solution.

Approximately three of every four uninsured adults in Kansas are employed, but many work for employers that do not offer health insurance, or they cannot afford the plans offered by their employers. They also do not qualify for financial assistance available on the health insurance marketplace. At this time, about 182,000 Kansans fall into the Medicaid eligibility gap. You probably encounter some of these Kansans every day. They are child care workers, restaurant staff, retail and shop clerks, home health care providers, construction workers, farmers and hold other jobs that feed our economy. They are our neighbors, workmates, members of our faith communities, family and friends.

Through expansion of KanCare, these individuals will have access to routine, preventive care. They will be less inclined to use our hospital emergency departments as their source for primary care. And they will be able to maintain good health – thereby promoting employment, family security and community well-being.

The Kansas Hospital Association, local city and county governments and many of our chambers of commerce are advocating for expansion because they understand that reducing our coverage gap will reduce costs that fall on our hospitals, safety net health care providers and local governments. When someone without insurance seeks medical care they cannot pay for, the state or a charity may cover some of the cost, but the balance remains unpaid. To cover it, insurers charge higher rates when the insured receive care, and these increases get passed on as higher premiums to others.

The Kansas Hospital Association's study of the impact of Medicaid expansion on Kansas hospitals and the economy, similar to other independent studies completed in other states, show the economic benefits of KanCare expansion. At a time when lawmakers' primary concern is about economic growth, let's remember that hospitals are bound to serve whoever walks through their doors, but also are often one of the largest employers in many communities, and a significant driver of business development and job growth in many areas.

Health care coverage and discussions about solutions aren't challenges unique to Kansas. In recent months, many states that previously would not consider expansion are discussing how they can construct a solution that works best for them. It is time for Kansas to do the same, so I respectfully ask you to make that possible by supporting HB 2319.

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