

National Multiple Sclerosis Society Mid America Chapter

To: House Committee on Appropriations

Fr: National MS Society, Mid America Chapter

Re: HCR 5013, Opponent Testimony

February 20, 2013

Mr. Chairman and Members of the Committee,

The National Multiple Sclerosis Society urges KanCare expansion pursuant to the Affordable Care Act so that all qualified Kansans have access to affordable, comprehensive health care. The National MS Society believes that KanCare expansion will have a significant, positive impact on many, including the millions of Americans affected by multiple sclerosis.

Multiple Sclerosis (MS) is typically diagnosed between the ages of 20 and 50, when most are raising families, advancing careers and maximizing their earnings. Yet studies show that only 40% are in the workforce ten years after their diagnosis, and some lost access to employer-based health coverage.

- The average annual cost for someone with MS in the U.S. including both direct and indirect costs (i.e. lost wages) is approximately \$69,000. Of this, approximately \$39,000 consists of health care costs.
- Seventy percent of persons with MS report difficulty paying for health care, even with health insurance and many are forced to delay doctor visits and split their medication doses or skip them altogether.

Expanding Medicaid is a smart investment that could provide up to 21.3 million Americans including people with MS affordable, comprehensive coverage.

- •If all states implement the Medicaid expansion, state Medicaid spending would only increase by 0.3%, largely because of the significant federal support of newly eligible individuals. Under this scenario, Kansas would incur a cost of \$20.73 Million associated with expansion.
- •If all states implement the Medicaid expansion, up to 21.3 million (currently and newly eligible) individuals could gain coverage by 2022. This would mean an estimated 222,000 needy Kansans would receive health care.



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- •Of the 222,000 people expected to be covered by Medicaid in Kansas, 350 are estimated to live with MS.
- •If all states implement the Medicaid expansion, states would see a net savings of \$10.1 billion in uncompensated care due to a decline in the number of uninsured and decrease is the amount of uncompensated care. Kansas would see a net savings of \$207.3 million. States would also experience broader positive economic impact including job creation. Medicaid expansion is estimated to bring more than \$800 million in federal dollars to Kansas over the first three years. If Kansas chooses not to expand Medicaid, the federal funding that should be coming to Kansas may be shifted to finance programs in other states.

According to the Kansas Hospital Association...

"A recent report from Regional Economic Models, Inc and the George Washington University, estimates the federal funding associated with KanCare expansion will help create approximately 3,400 new jobs in 2014 and 4,000 new jobs by 2020."

The Affordable Care Act sought to simplify Medicaid eligibility and provide coverage to all persons with income below 133%/138% of the federal poverty level. The U.S. Supreme Court decision rendered the Medicaid expansion a state option. We encourage the committee to vote no to HCR 5013 and to allow the expansion of KanCare, whereby improving the quality of life for all Kansans, including those currently living with MS and those that will be diagnosed in the future.

Thank you for your consideration,

Kari Rinker Kansas Advocacy Manager, Mid America Chapter