



Responsible Policy. Real Prosperity.

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Annie McKay, Executive Director
Kansas Center for Economic Growth
Medicaid Expansion Testimony
House Health and Human Services Committee

Chairman Hawkins and Members of the Committee:

The Kansas Center for Economic Growth is a nonprofit, nonpartisan organization that conducts research and analysis to promote balanced state policies that help to ensure all Kansans prosper. On behalf of the uninsured Kansans – nearly 100,000 of whom are working – who would be eligible for health care coverage if Kansas expanded KanCare, we support HB 2319. Enacting the legislation also will create new jobs and additional growth in the state's economy.

Investing in Kansas' workforce

One in six Kansas adults under 65 don't have health insurance, including nearly 100,000 working Kansans in more than 150 industries, many of which are critical to Kansas' economy. With Medicaid expansion, workers in fields such as retail sales, nursing, food service and child care would be able to get much-needed medical and dental care that more highly paid workers have long enjoyed.

Expanding Medicaid is a smart investment in Kansas' workforce, because access to health care coverage results in broader well-being and more productive workers. Conversely, widespread lack of insurance hurts the economy in the short term and the long term. It can increase family financial troubles because of costly medical bills for illnesses that go untreated for long periods and get worse. The newly insured would be spread among Kansans of all walks of life. For example, the largest percentage gains will be in more rural, geographically isolated parts of the state. However, every county in Kansas would benefit from expansion.

Adding jobs to Kansas' economy

Expansion would also bring new jobs and more money to the Kansas economy – which would be a major benefit as we slowly recover from the Great Recession. Coming at nearly no cost to the state – the federal government pays the *entire* bill through 2016 and no less than 90 percent after that – this job- and revenue-creating policy is a bargain for Kansans.

Through expansion, Kansas could create between 3,500 and 4,000 new jobs, with most coming in the health care field at hospitals and nursing and residential facilities, according to a report released in 2013 by George Washington University and Regional Economic Models Inc. The state's economy would grow by an additional \$300 million per year. And as long as Kansas continues to collect corporate income tax, it could expect to see increases to the State General Fund – an important source of support for education, health care and public safety.

We respectfully request that you support expansion of KanCare, which would extend health coverage to nearly 100,000 working Kansans, create jobs and bring revenue into the Kansas economy.