

Kasich plan makes sense

Lawmakers should put aside partisanship in state's best interest

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In his State of the State address and in the budget proposal that occupied much of the speech, Gov. John Kasich has laid out a plan to sustain and accelerate Ohio's economic recovery. That's a prospect worth cheering for, but it won't come to pass if an ideology-bound legislature stands in the way.

Kasich is taking heat from fellow Republicans for his plan to expand Medicaid using federal dollars. From Democrats, it's flak over his proposal to lower state income tax and lower, but more broadly apply, state sales tax. This diverse chorus of complaints illustrates what sets Kasich apart from most politicians: He panders to no special interest but Ohio's welfare. He works to solve problems, not play on a political team.

That will be no comfort to Ohioans if lawmakers reject his good ideas. Anyone who is putting Ohioans' best interests first can see that expanding Medicaid under the federal Affordable Care Act is the right call.

This doesn't suggest that the federal health-care overhaul is a good law; it isn't. But it is, nevertheless, the law. Rejecting Medicaid expansion is not going to roll back the overhaul. So state officials' obligation is to navigate it to Ohio's greatest advantage. To do otherwise hurts no one except Ohioans. As long as the federal government is paying most of the cost, which it has pledged to do until at least 2020, expansion is the best deal. Kasich's proposal calls for reversing the expansion if the feds stop covering the cost.

First and foremost, by extending Medicaid coverage to anyone earning up to 138 percent of the federal poverty level, it means that an estimated 275,000 low-income people will be guaranteed insurance coverage. The benefits accrue to everyone: People who can get preventive

care won't end up in emergency rooms with conditions that have grown unnecessarily serious and expensive. This lowers medical spending overall and eases hospitals' burden for uncompensated care, which should help lower premiums for those who have insurance.

An economic study by four reputable groups attached some compelling numbers to the issue: the expansion would mean a net gain to the state of \$104 million in 2014 and \$1.4 billion by 2022.

Some state lawmakers object that the debt-laden federal government doesn't have the means to fund this new entitlement. But that is an issue for federal lawmakers to grapple with. If state lawmakers turn down the \$17 billion slated for Medicaid expansion in Ohio, the federal government will spend it elsewhere, and Ohioans will be worse off.

With his tax proposals, Kasich follows the sound economic policy of shifting the burden toward consumption rather than income. The sales-tax changes are not, as critics contend, a disproportionate burden to lower-income families. Some services that weren't taxable before would become subject to tax, but the overall rate would be lowered to 5 percent from 5.5 percent, and housing, food and health-care spending would remain exempt.

Reducing income tax by 20 percent over three years, and even more for small-business owners, would give all Ohioans a break and put more money into the private economy, the ultimate source of wealth for the whole state.

As a candidate in 2010, Kasich was painted by opponents as an extremist conservative, but he has proven otherwise. He is a pragmatist who puts success ahead of ideology. Recession-weary Ohioans want lawmakers to do the same.

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