

# Necessary for Ohio

Published: March 6, 2013 - 07:55 PM

Ohio's health-care providers leave state legislators in no doubt about where they stand on the proposal to expand Medicaid. Announcing his budget proposals last month, Gov. John Kasich dismayed his Republican colleagues by taking the option in the Affordable Care Act to cover under Medicaid uninsured Ohioans whose annual income does not exceed 138 percent of the federal poverty level (about \$15,856 for an individual).

Opponents of the health-care law consider expansion of the health program for low-income families, indigent seniors and the disabled an economic disaster for the state and a betrayal by the governor. Some even have pledged to work to unseat legislators who dare to vote for the expansion. Yet the proposal rightly has garnered remarkably strong and uniform support across the spectrum of care providers who see firsthand the failures of the current system. Firmly behind the governor's plan are large hospital systems and community health centers; rural and urban institutions; children's hospitals and general hospitals.

Care providers are more aware than anyone that the Affordable Care Act, as one hospital executive told the Ohio House human services subcommittee this week, is "an incomplete solution to a deeply messed up system," creating some problems of its own in the effort to mitigate the consequences of a flawed system. One of those consequences is the financial burden on hospitals to provide services that are not reimbursed for the million or so Ohioans who have little or no health coverage.

As hospital executives repeatedly remind legislators, extending coverage under Medicaid would improve general health in Ohio, ensuring access to reliable, standard care for nearly 300,000 more people. An expansion would significantly reduce such situations as uninsured residents either using hospital emergency rooms for routine primary care or delaying care until their illnesses are acute and require extensive and costly intervention.

The hospitals raise another critical issue: The Medicaid expansion was designed initially in the federal law to balance overall cost-cutting measures. Hospitals face changes in payment structures that will reduce their revenues. Estimates are Ohio hospitals must cope with \$7.4 billion in cuts over the next decade as a result. An expanded Medicaid, ensuring more covered patients and enhanced federal payments for the newly eligible, was intended to make up for some of those losses.

Pass up the expansion, and Ohio and its hospitals lose in three ways: They lose a larger pool of covered patients and paid services. They lose from the payment reductions in the new law. And they continue to lose from having to deliver required but uncompensated services. Phillip Ennen, a hospital executive was not exaggerating when he explained to legislators: "The expansion isn't 'good' for Ohio, it's necessary."