

Medicaid in the cross hairs

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John Kasich may or may not prevail in what is becoming internecine warfare in the Ohio Republican camp regarding health insurance.

The governor decided, after much studying and thinking, that it would be in the state's best interest to extend Medicaid so that Ohioans who are not insured can benefit from federal funding offered through the Affordable Care Act. To make that happen, Kasich will need the Ohio General Assembly, which is dominated in both chambers by his Republican colleagues, to approve enabling legislation.

But by conceding that something is worthwhile in anything that bears President Obama's fingerprints, Kasich picked a fight that has some in his political camp questioning his conservative bona fides. The warmest response that has crossed the lips of House Speaker Bill Batchelder, for instance, is that some in his caucus (himself included, presumably) would have a philosophical problem going along with the expansion. The state treasurer, Josh Mandel, has informed the Statehouse leadership he is ready to mount the barricades to protect taxpayers from reckless spending and debt. Recently, the Gongwer News Service reported that disenchanted legislators plan to consult with the Heritage Foundation. And also with Texas, an interesting choice for consultation. Roughly a quarter of Texas residents lack health insurance, one of the highest rates of uninsured in the nation. Surveying the landscape of opposition, Kasich must take great comfort that Lt. Gov. Mary Taylor has not gone rogue on him as well. She has breathed so much fire for so long against all things "Obamacare" that it must be sheer agony to stand shoulder to shoulder with the governor on Medicaid expansion.

But in this brewing conflict, more than anything, it is the Medicaid program itself that appears to be on trial.

Over and over, opponents of expansion point to the cost of the current program as the first and foremost reason not to expand it further. Medicaid, they point out, is consuming an ever-larger portion of the state budget and crowding out funding for other important functions. And there is a point to that, to be sure. It is conceivable that if Ohio didn't have to commit \$19 billion this year (all funds) on health care for its poorest citizens, there might be more spending, say, on elementary education.

But the rise in the cost of Medicaid services is related to the upward spiral of health-care costs in general, a decades-long trend that still remains the impetus for national reform. If anything, Medicaid is acknowledged as a lower-cost program than either Medicare, the program for seniors, or private insurance, its structure giving states flexibility to keep costs down by setting and paying the lowest rates for services, setting eligibility requirements and benefits limits as their budgets permit and, increasingly, shifting its clients into managed-care systems.

Sure, there are arguments to raise about unfair advantage, about government relying on its reimbursement leverage to impose cost controls. But set against the overall cost growth in the health-care system, Medicaid is anything but a renegade in running up costs.

Another knock on the program that is likely to feature prominently in this fight is that the program as we know it fails as a system of care for the poor. Citing various studies, the Heritage Foundation, for example, has suggested that it is worse to have Medicaid coverage than no insurance at all. Among the damning findings, we learn that Medicaid patients lack access to the same quality of care as patients with private insurance; that they are more likely to have extended hospital stays; and are less likely to survive life-threatening conditions, such as cancers.

Medicaid is a safety-net program. It offers comprehensive health services for more than 2 million Ohioans (the majority of them children and poor mothers) who would have no means on their own of paying for care. Medicaid helps thousands more Ohioans cover the huge cost of long-term care. Medicaid also pays some of the costs for mental health services, breast and cervical cancer treatment and school health programs. Consider the totality of the program's functions and what it can offer 594,000 more Ohioans with expansion, and it begs asking whether having Medicaid is the worst that can happen to an uninsured Ohioan.

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