

# Kentucky election puts Medicaid expansion in crosshairs

October 16 2015, by Adam Beam

---

Kentucky, one of the only Southern states to expand Medicaid under President Barack Obama's Affordable Care Act, could become the first state to repeal that expansion depending on the outcome of a closely contested governor's race.

Kentucky voters have made it clear they don't like Obama or his policies, with the president's disapproval rating consistently at or above 60 percent in public polls. But when outgoing Democratic Gov. Steve Beshear used Obama's signature law to allow more people to qualify for taxpayer-funded [health insurance](#), about 400,000 people signed up for it.

Republican nominee for governor Matt Bevin, along with the legislative leaders of his party, say the state cannot continue to pay for the health insurance of able-bodied adults. Taxpayers pay for health insurance for a quarter of Kentucky's population under the current expansion, which Bevin wants to repeal and replace with a different plan.

Twice as many people signed up in the first year as state officials had predicted, more than doubling the expansion's estimated cost in 2017 from \$33 million to \$74 million. Those costs could swell to \$363 million by 2021, further straining finances in a state wrestling with a multi-billion-dollar pension liability.

Yet Kentucky's uninsured rate has dropped from a high of 20.4 percent in 2013 to less than 10 percent last year. Hospitals covered less than \$60 million of uncompensated care last year, down from \$160 million in

2013. New Medicaid enrollees received more than 54,000 preventative screenings, including for breast and colorectal cancer, of which Kentucky has some of the highest rates in the nation.

But the politics run deeper than the question of cost. Obama is so unpopular that most Democratic politicians avoid invoking his name by calling the state's expansion "Beshearcare" after the state's Democratic governor who cannot seek re-election because of term limits. The governor remains popular, and the expansion—which he authorized by executive order—has been praised for bringing better health care to thousands of residents.

One of them is Tyler Offerman, 26, who lives in Lexington and says he grew up without health insurance. He said he went years without seeing a dentist, leading to painful problems with his teeth. Offerman used his new Medicaid benefits for thousands of dollars in dental work. He now has access to a primary care physician for guidance given his family history of cancer. Now, he is starting an adventure tourism business leading backpacking and hiking trips.

"Being on Medicaid certainly gave me the safety net I needed to take the risk to be a young entrepreneur," he said.

Democratic nominee Jack Conway has said he would continue the Medicaid expansion unchanged. He cites a study from earlier this year by Deloitte and the University of Louisville projecting that Kentucky's savings and increased revenue from the expansion would be more than enough to pay the state's costs.

But Bevin rejects that study. He initially said he would reverse the expansion "immediately" but has since clarified he would repeal the current expansion and replace it with something else. He said the state cannot keep enrolling people under the new requirements.

"I can't make this more clear: there will be nobody in the state of Kentucky re-enrolling under the current Medicaid construct at 138 percent of poverty," Bevin said during a debate on Kentucky Sports Radio last month. The current expansion allows people making 138 percent of the federal poverty level to enroll.

Bevin spokeswoman Jessica Ditto said his plan would not take away health insurance from 400,000 people, as Democrats say. She said some might be offered a new plan that would require them to pay "token amounts" for a premium. Some might be offered a higher deductible plan coupled with a health savings account. And others still "may graduate from medical eligibility just as they might now by exceeded income thresholds."

Bevin says he will apply for a federal waiver, as five other states have done. Indiana, for example, expanded its Medicaid program but required new enrollees to pay monthly premiums or risk losing coverage.

"It's giving people a vested interest," Bevin said of Indiana's program. "Having skin in the game is a big, big differentiator between whether or not the person has the dignity that goes with making decisions for themselves."

Katrina Kelly has skin in the election. The 29-year-old from Lexington says she cannot afford health insurance with the \$6,000 she made last year as a self-employed landscaper. But on Medicaid, she had access to physical therapy that took away the terrible pain she had been living with in her shoulders.

If she loses Medicaid, Kelly would most likely have to pay a penalty on her income taxes for not having health insurance.

"It would definitely be a heartache on having to pay a penalty for

something I have no control over," she said.

© 2015 The Associated Press. All rights reserved.

Citation: Kentucky election puts Medicaid expansion in crosshairs (2015, October 16) retrieved 1 May 2024 from <https://medicalxpress.com/news/2015-10-kentucky-election-medicaid-expansion-crosshairs.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.