



For immediate release
Dec. 8, 2015

Major Health Foundations of Kansas Urge Legislators, Governor to Expand KanCare

CEOs point to new research that finds KanCare expansion would generate state budget savings and revenue gains while insuring 150,000 Kansans

TOPEKA — Leaders of the state’s six major health foundations today sent a letter to Kansas legislators and the governor urging them to give KanCare expansion “serious consideration and an open debate,” pointing to new research that shows potential savings for the Kansas budget.

“The potential benefit to the state budget alone indicates that legislators can no longer afford to simply say ‘no’ to KanCare expansion. We call upon legislators to give KanCare expansion serious consideration and an open debate, allowing diverse opinions a chance to be heard in committee and on the chamber floors,” reads the letter signed by the six foundations, which comprise the Kansas Grantmakers in Health (KGIH).

The letter cited a [new analysis by Manatt Health Solutions](#) commissioned for KGIH that found with KanCare expansion and the favorable federal funding match offered, Kansas could expect to save much of what it currently spends for providing critical services to the uninsured, including up to:

- \$75.3 million that Kansas spends annually for mental and behavioral health care.
- \$28.9 million that Kansas spends each year to reimburse hospitals and clinics for the uncompensated care they provide.
- \$9.3 million that Kansas spends annually for medical services to prison inmates.
- \$4.1 million that Kansas spends each year for the MediKan program.

The analysis concluded: “It appears that Kansas should be able to generate sufficient savings and revenue gains to cover the costs of expansion between 2016 and 2020 – in other words, expansion should be budget neutral. In fact, expansion may generate savings and new revenue in excess of the costs of expansion during this period.”

The letter from the foundations said the potential benefit to the state budget alone merited serious consideration of KanCare expansion. “Kansas’ severe and growing budget crisis recently prompted

legislators to pay a consultant \$2.6 million in hopes of finding more savings and efficiencies. Yet for two years, Kansas has ignored a policy decision that could be saving the state millions of dollars right now, while providing more than 150,000 uninsured Kansans health coverage: KanCare expansion,” the letter continues. “Many of the states that have embraced expansion are led by Republican governors and conservative legislatures. If they can find state-based solutions, so can Kansas.”

The full text of the letter from the foundations is attached.

The Kansas Grantmakers in Health is comprised of: Health Care Foundation of Greater Kansas City, Kansas Health Foundation, REACH Healthcare Foundation, Sunflower Foundation, United Methodist Health Ministry Fund, and Wyandotte Health Foundation. More information on each is attached.

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For more information on the analysis by Manatt Health Solutions and the potential budget savings of KanCare expansion, the authors of the report are available for interviews:

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About the Kansas Grantmakers in Health member foundations

[Health Care Foundation of Greater Kansas City](#)

The Health Care Foundation of Greater Kansas City was established in 2002 to eliminate barriers and promote quality health care for the uninsured and underserved. The **Kansas City, Mo.**-based nonprofit's service area includes Allen, Johnson and Wyandotte counties in Kansas, and Cass, Jackson and Lafayette counties in Missouri. Grants are prioritized for programs and activities that make demonstrable improvements in health and health care for medically indigent and underserved populations. [Learn more about the Health Care Foundation of Greater Kansas City](#)

[Kansas Health Foundation](#)

The Kansas Health Foundation was established in 1985 to improve the health of all Kansans. The **Wichita**-based private philanthropy is guided by the belief that health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. The foundation seeks opportunities to invest its resources in people and projects that meet its mission and create long-term, sustainable health improvements. [Learn more about the Kansas Health Foundation](#)

[REACH Healthcare Foundation](#)

The REACH Healthcare Foundation was established in 2003 to improve access and quality of health care for poor and medically underserved individuals through financial support of programs and initiatives. The **Merriam**-based nonprofit focuses on increasing access to health coverage and health care for uninsured and underserved people. Its service area includes Allen, Johnson and Wyandotte counties in Kansas; Cass, Jackson and Lafayette counties in Missouri, and the city of Kansas City, Missouri. [Learn more about the REACH Healthcare Foundation](#)

[Sunflower Foundation](#)

The Sunflower Foundation was established in 2000 to serve as a catalyst for improving the health of Kansans. The **Topeka**-based nonprofit directs resources statewide aimed at promoting healthy living in partnership with Kansas communities and schools, improving health care for the whole person, and developing leaders of Kansas organizations in a variety of sectors to be even more effective advocates for the causes and communities they serve. [Learn more about the Sunflower Foundation](#)

[United Methodist Health Ministry Fund](#)

The United Methodist Health Ministry Fund was established in 1986 to advance health, healing, and wholeness throughout Kansas. The **Hutchinson**-based nonprofit focuses grants on three areas: healthy lifestyles for young children, social and emotional development of young children, and access to health care. Working on behalf of more than 600 United Methodist churches, it is dedicated to the extension of health, healing and wholeness to all people in all stations of life. [Learn more about United Methodist Health Ministry Fund](#)

[Wyandotte Health Foundation](#)

The Wyandotte Health Foundation was established in 1997 to improve the health of Wyandotte County residents. The **Kansas City, Kan.**-based nonprofit focuses on enhancing access to primary care services for persons who are uninsured and underinsured, as well as supporting health prevention, intervention and education. [Learn more about Wyandotte Health Foundation](#)



Dec. 8, 2015

Dear Gov. Brownback and Members of the Kansas Legislature,

Kansas' severe and growing budget crisis recently prompted legislators to pay a consultant \$2.6 million in hopes of finding more savings and efficiencies.

Yet for two years, Kansas has ignored a policy decision that could be saving the state millions of dollars right now, while providing more than 150,000 uninsured Kansans health coverage: KanCare expansion.

In those two years, our state has given up more than \$850 million in federal tax dollars by not expanding KanCare. The Kansas Division of the Budget projects Kansas will forfeit \$8.6 billion over the next 10 years if legislators continue to simply say 'no' to expanding KanCare.

Thirty states and the District of Columbia already have expanded their programs. Kansas officials could learn from them, perhaps choosing the best from the various approaches to craft a Kansas-based solution.

States that have expanded are seeing big budgetary savings without reducing services. An [analysis by Manatt Health Solutions](#) commissioned for the Kansas Grantmakers in Health points to a number of areas where our state's budget would realize annual savings by expanding KanCare. Kansas already spends millions from its state treasury for providing critical services to the uninsured. With KanCare expansion many of these individuals will gain coverage and the services can be funded with federal rather than state funds. Kansas could expect to save much of what it currently spends, including up to:

- \$75.3 million that Kansas spends annually for mental and behavioral health care.
- \$28.9 million that Kansas spends each year to reimburse hospitals and clinics for the uncompensated care they provide.
- \$9.3 million that Kansas spends annually for medical services to prison inmates.
- \$4.1 million that Kansas spends each year for the MediKan program.

Data from eight states that expanded their programs show they realized \$1.8 billion in budget savings and revenue gains in similar areas in less than two years.

The potential benefit to the state budget alone indicates that legislators can no longer afford to simply say 'no' to KanCare expansion. We call upon legislators to give KanCare expansion serious consideration and an open debate, allowing diverse opinions a chance to be heard in committee and on the chamber floors.

There are many other reasons legislators should seek a Kansas-based solution for KanCare expansion:

KanCare expansion would help stimulate the economy and create thousands of jobs. Accepting the billions of dollars in federal funds available for Kansas would have a multiplier effect as the money rippled throughout the economy, meaning more spending, more business activity, new jobs, higher personal income and increased state tax revenue. A recent study by George Washington University found that expanding KanCare would create 3,500 – 4,000 new jobs in the next five years. If elected officials hold job creation as a primary goal, KanCare expansion deserves serious consideration.

KanCare expansion could help control health insurance costs. Without KanCare expansion, the state's uninsured will continue to forego necessary health care or seek it in the most expensive place — the emergency room. So long as thousands of working Kansans remain uninsured, the health care they inevitably need but cannot afford ends up raising the costs of health care for others in the state — employers, hospitals, local governments, and privately insured individuals and families. If policymakers want to help control health care costs, they cannot simply say 'no' to KanCare expansion.

KanCare expansion would help mitigate the strain on rural hospitals in Kansas. When Mercy Hospital in Independence closed in October, thousands of people lost nearby access to emergency care, surgery, and other health care services; 190 people lost jobs. Effects of the closure are felt throughout the community. If legislators want to do all they can to prevent more rural hospital closings, they must consider KanCare expansion.

KanCare expansion would offer a hand up to Kansas citizens in need. More than 150,000 uninsured citizens don't make enough money to afford quality health insurance but have incomes that are too high to qualify for KanCare. These are friends, neighbors, and other fellow Kansans, most of whom work in jobs like farming, retail, and the service industry. Among them are about 7,000 uninsured veterans and their families. These families are stuck in the middle with no affordable insurance options. Kansas officials owe these hardworking families serious consideration of KanCare expansion.

KanCare expansion can be a Kansas-based solution. Each state that expands its program can tailor it to the state's particular needs. Among the features Kansas could draw on are requirements that beneficiaries share the costs of premiums and out-of-pocket expenses, incentives for healthy behaviors, and linking coverage to job training for those who might need it. KanCare expansion also could include an off-ramp in the event federal funding was reduced. And the coverage afforded to thousands of Kansas families would come from the private insurance companies already hired by the state to run KanCare.

There is plenty of evidence that expansion is a win-win for states — it saves state budgets money and injects millions into state economies, while providing health coverage to thousands of citizens. Many of the states that have embraced expansion are led by Republican governors and conservative legislatures. If they can find state-based solutions, so can Kansas.

The Kansas Grantmakers in Health are convinced that expanding KanCare would mean a healthier Kansas.

We call upon legislators to give KanCare expansion serious consideration and an open debate.

Sincerely,

The Kansas Grantmakers in Health member foundations



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