

You Can Be a Hero

Introduction

Good morning ladies and gentlemen. Thank you for the opportunity to speak with you today. I am Dr. Jacqueline Fincher from Thomson, GA where I am in private practice as an internal medicine physician. I also serve as the 4 year Governor of the Georgia Chapter of the American College of Physicians, representing almost 3000 internal medicine physicians and medical students in our state. I am here today to let you know how YOU can be a hero to the citizens of our state.

1. You can be a hero by saving lives
2. You can be a hero to the business community and expand the economic development in Georgia
3. You can be a hero by finding a win-win solution for the state of Georgia

1. So how can you be a hero by saving lives?

Last year at this time, I sent a report documenting the many benefits of accepting federal dollars to expand Medicaid to Governor Deal and each one of you from the Georgia chapter of the American College of Physicians (ACP). I spoke for our patients when I asked Governor Deal and the Georgia legislature to do the right thing and accept this unprecedented opportunity to provide coverage to our poorest patients.

The five-page report I sent is called *How Will the Medicaid Expansion Benefit Georgia?* It explains why it is in the best interests of the citizens, physicians, hospitals, and the state itself, to adopt the expansion. It notes that extending Medicaid coverage will reduce the number of uninsured Georgians, most of them from working families, by as much as 42 percent.

The Georgia chapter of ACP believes that it is imperative that our state accept the unique opportunity that is now available to use federal dollars to expand Medicaid to the working poor and near-poor in our state.

I believe there are many misconceptions about who these people are. So let's talk just a minute about who are these uninsured people in our state?

- **Uninsured: 20%**
- **Employed: 69% Have a full-time worker in the family**
- **Age: 40% are 19-34 years old, 60% 36-64 years old**
- **Gender: 53% are male**
- **Race:**
 - **47% Caucasian**
 - **37% African American**
 - **10% Latino**

I have many patients in my rural Thomson practice whose very life may depend on whether Medicaid is expanded. I think of "Mrs. Ellie" who is now 60 years old and takes full-time care of her mentally disabled husband of 40 years, her 85 year old mother, and a couple of grandchildren during the day. Mrs. Ellie has not had health insurance in more than 15 years. She has multiple chronic medical problems, including high blood pressure, high cholesterol, thyroid disease, gout, and anemia and is on eight generic medications to control them. She and her husband live on his monthly social security disability check which puts them under 100% of the federal poverty level. When you live below the federal poverty level and have no insurance, every dollar is already being spent on the essentials of food, housing, gas and medications. Sometimes she can get her medications and sometimes she can't. But if and when she ends up in the emergency room or requires hospitalization for want of a \$10 or \$20 dollar medication, we all pay thousands of dollars to care for her, especially the local hospital and the doctor who provides her care.

I also think of my patient, "Mr. Jim." He's a 43 year old married man with four children. He had a good job at a manufacturing plant here with good health insurance until two years ago, when he was laid off. His wife was also working full time and was laid off a year ago. They both found temp jobs working full time but at almost half the salary and no benefits. Unfortunately, Mr. Jim has insulin-dependent diabetes, high blood pressure, high cholesterol, chronic kidney disease and has started having chest pain. He couldn't afford the stress test and cardiology evaluation. My prayer is that he doesn't have a heart attack before we can get him the help he needs.

Both of these patients would qualify for Medicaid under the expansion. These are my patients who are hardworking citizens of our state. If these patients, who are heads of households, can't get the medical care they need and either become disabled themselves or die, their families will then become our collective responsibility to support through the state welfare programs and nursing homes. How much will that cost us?

These decisions we are making here today have life or death consequences for our fellow citizens of GA, and I want to make sure you understand that in no uncertain terms. These are not widgets in a production line. These are not statistical numbers on a balance sheet. These are human beings. Do we value human life or NOT? These people will have no other options for health insurance if you don't expand Medicaid.

You can save lives by accepting the Medicaid expansion funds from the Federal government. You can be a hero to the low income uninsured and to the safety net physicians, hospitals, and academic medical centers in our state that serve these low income patients and reduce the cost shifting to the rest of us.

2. You can be a hero to the business community and expand economic development in Georgia

The Georgia Department of Community Health estimates the Federal money the state would receive for Medicaid expansion to be ~ \$40 billion over 10 years, which would directly help those currently uninsured, but it will also generate new economic development within the state. The citizens of Georgia will pay the same federal taxes as other states but will not receive the billions of federal dollars in return for our citizens if we don't expand Medicaid. The Federal government currently funds the GA Medicaid program at ~ 67% of the cost. If GA expands Medicaid, the Federal Government will pay 100% of the cost for 3 years 2014-2016, and then tapered down to 90% by 2020 and beyond.

Dr. Bill Custer at Georgia State University did a study published in February this year, entitled "The Economic Impact of Medicaid Expansion in Georgia." This study using extensive computer software analysis found that the additional Medicaid spending generated wages and revenue that supported on average a total of 70,343 new jobs, just over half of which would be in health care. These additional jobs would add an average of \$8.2 billion to the annual statewide economic output. This additional economic activity would also generate increased state and local tax revenue estimated to be on average \$276.5 million annually. Expansion will have a net positive impact on state government revenues.

Not expanding Medicaid will hurt economic development in our state, most especially health care in individual hospitals and counties. When industry looks at coming to a given community, they look at key parameters: the workforce, the education system, and the availability of quality health care in the community. We also know that most rural hospitals in GA are the top one or two employers in these counties. We have already seen 3 rural hospitals in our state close, with an estimate of 15-20 more closures in the next 5 years if we do not accept Medicaid expansion funds.

We know that hospitals across the country agreed to \$155 billion in Medicare & Medicaid cuts nationally, many through cuts in the Disproportionate Share payments or "DSH payments" to hospitals, in return for most patients having insurance, including those who would now qualify for Medicaid under the expansion. Now the DSH payments to Georgia in 2012 were \$416 million. Georgia hospitals lost ~ 1.63 billion in uncompensated care for 2012 (going up ~4%/year). As you know the Georgia Hospital Association also just recently came out in support of Medicaid expansion for these very reasons, along with many other stakeholders throughout the state.

You can create jobs; you can broaden the tax base; you can prevent the closure of many rural and safety net hospitals. You can be a hero to the business community and make a huge impact on the economic development of every county in this state by expanding Medicaid.

3. You can be a hero by finding a win-win solution for Georgia Now how do we find a win-win solution that works for ALL our GA citizens – rich & poor, Republican & Democrat? Washington might not be able to do it, but I know Georgia can.

We can expand Medicaid through development of an HHS waiver similar to the Arkansas model which was passed by 75% Republican Legislature and approved by the HHS Secretary in September. Several states have been working on waivers, but Arkansas which has a similar demographic population and legislature as GA has gotten the HHS approval. This model uses the Medicaid expansion funding to buy private insurance through the Health Insurance Exchange for those hardworking, low wage workers and their families that currently have incomes below 138% of the FPL.

This funding provides a private option and a market-based solution that our state legislators and our Governor have said so many times that they want. It potentially increases more insurance companies into the marketplace, which are better products than Medicaid and better pricing for consumers and government payors. The products in the Health Insurance Exchanges have better payment for providers than straight Medicaid does and better provider choices for patients, since more physicians will participate in the Exchanges than are currently willing to participate in Medicaid. Even the Medical Association of Georgia that represents the whole House of Medicine in this state just recently passed this very option in their House of Delegates in October.

You can be a hero by creating a win-win solution for Georgia that draws down those federal dollars and uses them to buy private insurance for those people below the 138% FPL.

Conclusion

No matter where one stands on the Affordable Care Act itself, the evidence is clear: **Georgia will benefit by accepting federal dollars to expand Medicaid or provide a private insurance option, and Georgia will be harmed if it does not.**

1. It will provide insurance to people who work hard and have jobs but cannot afford insurance.
2. It will improve these people's health outcomes and save lives
3. It will reduce the numbers of uninsured Georgians by up to 42%.
4. It will help the safety net of physicians, hospitals, & academic medical centers better serve these low income patients & reduce cost shifting to the rest of us.
5. It will prevent many hospital closures, especially in the rural areas, which will help keep the economic engine running in these counties.
6. It will benefit the state fiscally by the federal government paying almost all the costs of the expansion
7. It will be good for our economy and create jobs
8. It will have a net positive impact on state government revenues

Yes You Can Be a Hero to all the citizens of Georgia, and right now we really need some heroes in our state. I challenge each one of you here today to be a hero. Be a hero for the state of Georgia.