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Move Kansas' Health Care System Forward

By Gregory Schneider

As Gov. Kathleen Sebelius pursues one of her election campaign themes -- moving Kansas forward -- she should borrow an idea from her opponent, state Sen. Jim Barnett, R-Emporia, about moving our health care system forward.

Barnett proposed the Kansas Insurance Connector, a central marketplace for health insurance for all Kansans. The connector would "allow individuals and businesses to comparison shop between insurance companies and policies, and purchase health insurance from private companies through one large marketplace." The contributions would be made in pretax dollars, and there would be flexibility and choice in the provider options.

To provide insurance for those who cannot afford it, a high-deductible insurance option would be offered to those between the ages of 18 and 40 to provide catastrophic coverage. Combined with a health savings account -- something Sebelius signed into law for state employees -- this would provide insurance coverage for young people and would even move Medicaid recipients into private health coverage.

This is an idea whose time has come.

Medicaid continues to grow at an alarming rate. In 2005, 247,000 Kansans received Medicaid services. This year, the number has risen to an average 302,000. Medicaid spending has grown by about \$200 million per year of the state's all-funds budget from 2004 to 2006. If it continued to grow at such a rate, by the time Sebelius ends her second term as governor, it would be close to \$3 billion of the all-funds budget.

The program is hardly fiscally sustainable if we wish to keep Kansas moving forward and growing the private sector economy in the state.

One recent study by the Flint Hills Center for Public Policy on Medicaid and long-term care pointed out other avenues toward reform that Sebelius should pursue in her next term. Stephen Moses of the Center for Long-Term Care Reform concluded that the easy availability of Medicaid dollars to pay for nursing home care in Kansas "places a heavy strain on state finances, diverts resources from other priorities such as children, and poses a fiscal challenge for the future."

Moses recommends that private energy be employed to oxygenate the system. Long-term care insurance, which has penetrated Kansas markets, should be encouraged for nursing home care. Reverse mortgages would allow seniors to tap into their home equity for long-term care coverage.

It is time to move Kansas forward. Reforming Medicaid should be a main priority of the Sebelius administration in its second term.

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