

# KENTUCKY HEALTH TALKING POINTS



## THE ISSUE

**The current system has not improved health outcomes and is not sustainable.**

Nearly one out of every three Kentuckians is on taxpayer-funded healthcare.

Medicaid enrollment has increased 68% since Obamacare was started in Kentucky.

An insurance card does not guarantee a healthy Kentucky. The Commonwealth still has poor health outcomes, and is ranked among the worst in several key health metrics.

- 1 in 3 Kentuckians struggle with obesity and weight-related health issues
- 2<sup>nd</sup> highest in the nation for rate of smoking
- 1<sup>st</sup> in the nation for cancer deaths and preventable hospitalizations

Medicaid expansion growth consumes every new dollar that comes into the state and more, taking critical funding from other programs such as education, infrastructure, public safety, and public pensions obligations.

According to a 2012 CDC study, adults in poverty are almost five times as likely to report being in fair or poor health as adults with incomes above the federal poverty level.

## THE CONCLUSION

**Medicaid expansion as enacted in Kentucky has not moved the needle on these metrics.**

Kentucky cannot continue a program that does not propel beneficiaries toward better health and economic security.

Instead, we need a program that empowers and supports the overall well-being of individuals, families, and communities in Kentucky.

Kentucky needs a Medicaid program that will:

- Focus on improving beneficiary health.
- Encourage and reward healthy behavior.
- Promote personal responsibility.
- Provide support for personal and professional growth to improve beneficiary health – physical and financial – in the short and long-term.
- Help beneficiaries become informed healthcare consumers.
- Create a path for beneficiaries to transition to private employer insurance.

## TAKING ACTION

**The Commonwealth thoughtfully researched other state programs and has created an innovative program that reflects the unique needs of our population.**

Kentucky HEALTH:

- Takes a holistic approach to empower Kentuckians to improve their overall health and well-being.
- Helps Medicaid beneficiaries become more active and informed healthcare consumers.
- Offers employment and training services through existing federal, state and local resources.
- Saves an initial estimated \$2 billion in taxpayer dollars over the demonstration period, with the goal to make the Medicaid program financially sustainable and address the many fiscal challenges facing Kentucky.



## Frequently Asked Questions

### Who is eligible for Kentucky HEALTH?

Kentucky HEALTH is designed for working-age adults and their families. Kentucky HEALTH benefits will be available to all non-disabled Medicaid beneficiaries, low-income parents, family caregivers, former foster youth up to age 26, pregnant women, and children.

Kentucky HEALTH is NOT for people who are on Medicare (age 65 or over) or on Medicaid due to age or disability.

### Are almost 100,000 people going to be kicked off of Medicaid?

No. We are building support services and opportunities to help beneficiaries gain skills for long-term success, and we expect that many will improve their financial situations so they can ultimately transition out of Medicaid and into private insurance coverage. The lower projected enrollment reflects those who would transition off of Medicaid because they enter the workforce, get a better job and higher wages, and gain access to employer-sponsored insurance or other private insurance. While some may lose coverage because they don't meet the program requirements, we expect many others to leave because they improve their circumstances and no longer need public assistance.

### Are the eligibility requirements going to be changed?

Requirements to qualify will not change. Kentucky HEALTH does not change income eligibility limits. Those who have Medicaid coverage now will move directly into Kentucky HEALTH if they are eligible, and will not need to re-apply.

Some Kentucky HEALTH participants will be required to complete community engagement activities, also known as the PATH program. PATH stands for "Partnering to Advance Training and Health," and is broader than what has been labeled a "work requirement." In fact, someone could complete the 20-hour-per-week requirement without being employed, because community engagement includes skills training, job search activities, education and training, and volunteer/public service activities. Pregnant women, those determined to be "medically frail," former foster youth up to age 26, and most caregivers will not be required to complete these activities.

Of the 350,000 people we estimate will be in the PATH program in Kentucky, we believe about half of those people are either already working, in full-time education programs, meeting SNAP/K-TAP work requirements, or otherwise engaged in volunteering or caregiving. If a beneficiary is receiving SNAP benefits, the SNAP work policies apply instead of PATH. In other words, they already may be meeting these requirements.

## Innovative Components of Kentucky HEALTH

### INVESTMENT

- People invest in their own health
- Kentucky invests in people's health, education and increased substance use disorder coverage

### ADVANCEMENT

- Incentivize and empower people to develop practical knowledge and skills

### ENGAGEMENT

- Encourage people to make informed decisions about their healthcare
- People become more involved in their communities, and communities become more involved in their people

### UNDERSTANDING

- Familiarize people with commercial insurance