



**House Health, Human Services & Elderly Affairs Committee  
March 20, 2018**

**SB 313-FN**

**An Act reforming New Hampshire's Medicaid and Premium Assistance Programs,  
establishing the granite workforce pilot program, and relative to certain liquor funds**

Good morning, Mr. Chairman and members of the Health, Human Services and Elderly Affairs Committee. My name is Steve Ahnen and I am president of the New Hampshire Hospital Association, representing all of our state's hospitals. I am pleased to be here today to testify on SB 313-FN to reauthorize New Hampshire's Medicaid expansion program.

New Hampshire's hospitals are partners with the state in caring for our most vulnerable citizens. It is our mission, to care for those who are sick. We take that responsibility very seriously, providing the highest quality of care to anyone who walks through our doors, regardless of their ability to pay.

Hospitals have been strong advocates for New Hampshire's Medicaid expansion program and have long supported its reauthorization. New Hampshire's Medicaid expansion program is providing health insurance coverage to over 50,000 low-income, formerly uninsured Granite State residents. This coverage enables these individuals the ability to be seen by a primary care doctor or in a health clinic, to receive important primary and preventive care, cost-effective management of chronic conditions, and life-saving mental health and substance use services. As a result of this coverage, these patients are now able to receive the right care, at the right time, in the right place.

Reauthorization of this important program will mean that these individuals are able to continue to get the care they need. SB 313 will provide the stability necessary to allow this program to continue, and we thank the hard work by so many, including Senator Bradley, the Senate President, the Governor, bipartisan leaders in both the House and Senate, Commissioner Meyers and many others, for their leadership in bringing this measure forward.

New Hampshire's Medicaid expansion program has helped to reduce the number of uninsured patients seeking care in hospital emergency departments. Since the inception of the program, hospitals statewide have seen a 41 percent reduction in the number of uninsured patients seeking care in the emergency department, a 47 percent reduction in the number of uninsured inpatient admissions, and a 46 percent reduction in the number of uninsured outpatient visits. This has resulted in a dramatic reduction in the amount of uncompensated care attributable to those without insurance: a drop of more than \$67 million from \$131.2 million in SFY 16 to an

estimated \$64.1 million in SFY 2018, a direct reflection of the coverage gains brought about by the New Hampshire Health Protection Program.

We support reauthorization of Medicaid expansion because it's the right thing to do...for our patients, our state and our communities. SB 313 builds on the recommendations of the bipartisan study commission that met over the past year and a half chaired by Senator Bradley. One of the most fundamental recommendations is to move the Medicaid expansion population out of the individual marketplace into one of the existing Medicaid managed care organizations. While we agree with the need to aggressively manage the health of this population and share the belief that the Medicaid MCO's may have more experience with this population than those offering coverage on the exchange, we would be remiss if we didn't point out that this will cause hospitals to lose more than \$35 - \$45 million annually in reimbursement due to the significantly lower rates paid to providers under the traditional Medicaid program. As you know, New Hampshire's traditional Medicaid provider reimbursement rates are the lowest in the nation. That's why we applaud provisions in this bill that look to raise reimbursement rates for behavioral health and substance use services. We are also pleased to see that the commission established by this bill will look at an overall Medicaid rate and financing structure, including the DSH program, that is sustainable, and ensures access to care across the system.

While it's important to understand those fiscal impacts, it's also important to understand the impact that this program is having on people in New Hampshire. Our hospitals and their clinicians have seen and cared for many of these patients and they see first-hand how this program is making a difference in their lives and in their health. For instance, the person with diabetes who was routinely seen in the hospital emergency room or admitted to the hospital is now able to get the insulin they need to manage their diabetes and receive the care they need with their primary care physician, or the single mom, working two jobs to support herself and her family who is now able to get the ongoing care she needs to take care of her chronic health conditions so that she can continue to support her family. These are just two stories, but there are hundreds, literally thousands occurring every day across New Hampshire that demonstrate the importance of reauthorizing this program.

Reauthorization of New Hampshire's Medicaid expansion program is an important investment in the health of our state and the people it serves. I thank you for the opportunity to testify in support of SB 313 and would be happy to answer any questions you might have.