



COLORADO CENTER
on LAW & POLICY

Justice and Economic Security for all Coloradans

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Testimony to the Senate Health and Human Services Committee from CCLP Health Program Director Elisabeth Arenales

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Good afternoon Madam Chair, Senator Aguilar and Members of the Committee. My name is Elisabeth Arenales. I am the Health Program Director at the Colorado Center on Law and Policy. I am here today to represent consumer and patient focused organizations that have worked over many years to secure access to health care for all Coloradans. As you can see by the long list in front of you, there is widespread support for SB13-200 and I hope that you will vote in favor of the bill.

This bill will help create economic opportunity for low-income Coloradans by providing economic security where there has previously been fear and uncertainty about health care costs.

This opportunity to extend Medicaid to the uninsured builds on a fifteen-year track record of achievement in bringing Coloradans into health insurance coverage. Milestones along this path include: the adoption of CHP+ by this body in 1998, voter approval of coverage expansions under Amendment 35 in 2004, passage of HB1293 in 2009, establishment of the Colorado Health Benefit Exchange by another SB200 in 2011 and now SB13-200.

There are many reasons to support this bill. Among them are the benefits to Colorado's economy. As you have probably seen, according to a recent study authored by noted fiscal analyst Charlie Brown and commissioned by the Colorado Health Foundation, by 2025-26 Medicaid expansion will result in more than \$4 billion in additional state economic activity and create 22,388 more jobs.

You will hear in the testimony that follows from health care providers about the financial challenges of caring for the uninsured and from hospitals about billions of dollars in uncompensated care that can result in cost shifting that can be avoided with expansion. The state of Colorado will benefit both from the enhanced 100% federal Medicaid match rate available to states that expand coverage to 133% of the Federal Poverty Level. We will benefit also from the opportunity to refinance at a 100% match coverage of those made eligible for Medicaid under HB09-1293. In addition, the SB13-200 Fiscal Note discusses General Fund savings resulting from providing Medicaid to populations served today by state only programs.

Those who are brought into coverage by this bill will be brought into a more carefully designed Medicaid program that is realizing efficiencies and cost savings through the Accountable Care Collaborative Program. Colorado is becoming a model for the country by improving quality and reducing costs through care coordination that reduces avoidable hospitalizations, hospital readmissions and unnecessary medical imaging.

While you will hear much more about all of these points, I want to focus on what this bill does to make life more secure for tens of thousands of Coloradans. You have heard already from this panel about what the bill means to a working family and to those who are living with a serious, chronic illness.

Just one in three Coloradans who are employed and live below 133% of the Federal Poverty Level have employer or union sponsored health insurance. CCLP estimates that 122,000 of these working Coloradans will gain coverage if you pass SB13-200. Many who will benefit work in sectors that are major drivers of Colorado's economy, including the entertainment, service and tourism industries. As examples, they are administrative assistants, day care workers, nursing home attendants, cooks, landscapers, hotel clerks, and retail clerks. For these families, the purchase of health insurance would cost about 20% of their income, making it unaffordable in most cases.

This bill will make an enormous difference to the lives of those who are not working, including those who are sick and unable to work; people who have lost their jobs; veterans; those pending federal disability determination; and the homeless.

Many studies, beginning with one conducted by the highly regarded Institute of Medicine more than 10 years ago have found that health insurance is the best proxy we have for health status, and that death rates among people who are uninsured are statistically higher than for the insured. People who are uninsured and those who work with them know all too well the struggle to get adequate health care and see all too often the results for those who cannot get the services they need.

SB13-200 assures us that the lowest income Coloradans will have access to coverage. It provides peace of mind to Colorado families, and bolsters some of the primary economic engines in Colorado. This bill completes the platform for the uninsured that we began building 15 years ago. Without it we leave the lowest income and in many cases the most vulnerable without coverage. Please vote for SB13-200.