

January 27, 2023



Testimony of the American Lung Association and The Leukemia & Lymphoma Society
Opposing House Joint Resolution 5004
House State Affairs Committee
Submitted to housestateaffairs@sdlegislature.gov

Dear Chair Mortenson and members of the committee:

The American Lung Association and The Leukemia & Lymphoma Society oppose HJR 5004, which would threaten access to care for thousands of patients in South Dakota who are newly eligible for coverage under the Medicaid expansion voters approved in 2022. Our organizations believe everyone should have quality and affordable healthcare coverage and are committed to ensuring that Medicaid provides adequate, affordable and accessible healthcare coverage for low-income individuals and families. We urge members to vote no on this legislation.

Medicaid expansion is critical for the patients we represent. Expansion is associated with a reduction in preventable hospitalizations, including for asthma and COPD¹, and with improved cancer survival outcomes in young adults².

People managing their health conditions rely on regular visits with health providers and access to daily medications. They cannot afford a sudden gap in care. Yet under HJR 5004, access to care for patients with Medicaid coverage could be regularly put at risk, as inevitable reporting requirements create a harmful administrative burden for enrollees, resulting in widespread coverage losses that will hurt patients with lung diseases or blood cancers.

Most people on Medicaid who can work already do so.³ A study published in *JAMA Internal Medicine* looked at the employment status and characteristics of Michigan's Medicaid enrollees.⁴ The study found only about a quarter were unemployed (27.6 percent). Of this 27.6 percent of enrollees, two thirds reported having a chronic physical condition and a quarter reported having a mental or physical condition that interfered with their ability to work. Additionally, a study in *The New England Journal of Medicine* found that Arkansas's work requirement was associated with a significant loss of Medicaid coverage, but no corresponding increase in employment, which negates Arkansas' argument that Medicaid enrollment went down because individuals were finding jobs and gaining other coverage.⁵

Continuous Medicaid coverage can actually help people find and sustain employment. In another report looking at the impact of Medicaid expansion in Ohio, most enrollees reported that being enrolled in Medicaid made it easier to work or look for work (83.5 percent and 60 percent, respectively).⁶ That report also found that many enrollees were able to get treatment for previously untreated health conditions, which made finding work easier. Suspending individuals' Medicaid coverage for non-compliance with these requirements will hurt rather than help people search for and obtain employment.

Additionally, HJR 5004, if adopted, would add costs and administrative complexity to a program that will soon deliver enormous financial benefits to our state. Medicaid expansion has helped state economies and has been associated with a reduced risk of hospital closures, especially in

rural areas.⁷ Researchers have also predicted that expanding Medicaid in South Dakota will create over 4,200 new jobs across multiple sectors in 2022.⁸

In November 2022, South Dakota’s voters approved the expansion of the state’s Medicaid program without any additional barriers to coverage. Our organizations supported this measure as written, and urge lawmakers to protect access to quality healthcare by opposing HJR 5004 today.

Sincerely,

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¹ Hefei Wen Kenton J. Johnston, Lindsay Allen, and Theresa M Waters. “Medicaid Expansion Associated with Reductions in Preventable Hospitalizations.” November 2019. Health Affairs. Doi 10.1377/hlthaff.2019.00483

² Xu Ji et al., “Survival in Young Adults With Cancer Is Associated With Medicaid Expansion Through the Affordable Care Act.” *Journal of Clinical Oncology*, December 2022. Available at: <https://ascopubs.org/doi/abs/10.1200/JCO.22.01742?journalCode=jco>

³ Rachel Garfield, Robin Rudowitz, and Anthony Damico, “Understanding the Intersection of Medicaid and Work,” Kaiser Family Foundation, February 2017. Available at: <http://kff.org/medicaid/issue-brief/understanding-the-intersection-of-medicaid-and-work/>.

⁴ Renuka Tipirneni, Susan D. Goold, John Z. Ayanian. Employment Status and Health Characteristics of Adults With Expanded Medicaid Coverage in Michigan. *JAMA Intern Med*. Published online December 11, 2017. doi:10.1001/jamainternmed.2017.7055

⁵ Benjamin D. Sommers, MD, et al. “Medicaid Work Requirements—Results from the First Year in Arkansas,” *New England Journal of Medicine*. Published online June 18, 2019, https://cdf.nejm.org/register/reg_multistep.aspx?promo=ONFGMM02&cpc=FMAAALLV0818B

⁶ Ohio Department of Medicaid, 2018 Ohio Medicaid Group VII Assessment: Follow-Up to the 2016 Ohio Medicaid Group VIII Assessment, August 2018. Accessed at: <http://medicaid.ohio.gov/Portals/0/Resources/Reports/Annual/Group-VIII-Final-Report.pdf>.

⁷ Richard Lindrooth, Marcelo Perraiillon, Rose Hardy, and Gregory Tung, “Understanding the Relationship Between Medicaid Expansions and Hospital Closures,” *Health Affairs* 27, no. 1 (January 2018): pp. 111-120. Available at <https://www.healthaffairs.org/doi/abs/10.1377/hlthaff.2017.0976>

⁸ Leighton Ku and Erin Brantley, *The Economic and Employment Effects of Medicaid Expansion Under the American Rescue Plan* (Commonwealth Fund, May 2021). <https://doi.org/10.26099/x6zp-g424>