



TO: House Health and Human Services Committee

FROM: Tom Bell, President and CEO, Kansas Hospital Association

DATE: January 31, 2017

RE: House Bill 2064 – Support

The Kansas Hospital Association appreciates the opportunity to provide testimony in support of House Bill 2064, The Bridge to a Healthy Kansas. Kansas needs to be vigilant and take advantage of the opportunity we have today, while there is still uncertainty about the outcomes of the ACA. Time is of the essence. We need to expand KanCare before Congress makes changes to the ACA that could leave our state at a big disadvantage.

The Bridge to a Healthy Kansas is a fiscally responsible Kansas-based solution that will bring hundreds of millions of our federal tax dollars back home to Kansas – creating jobs, boosting our economy, protecting hospitals and improving the health of Kansans.

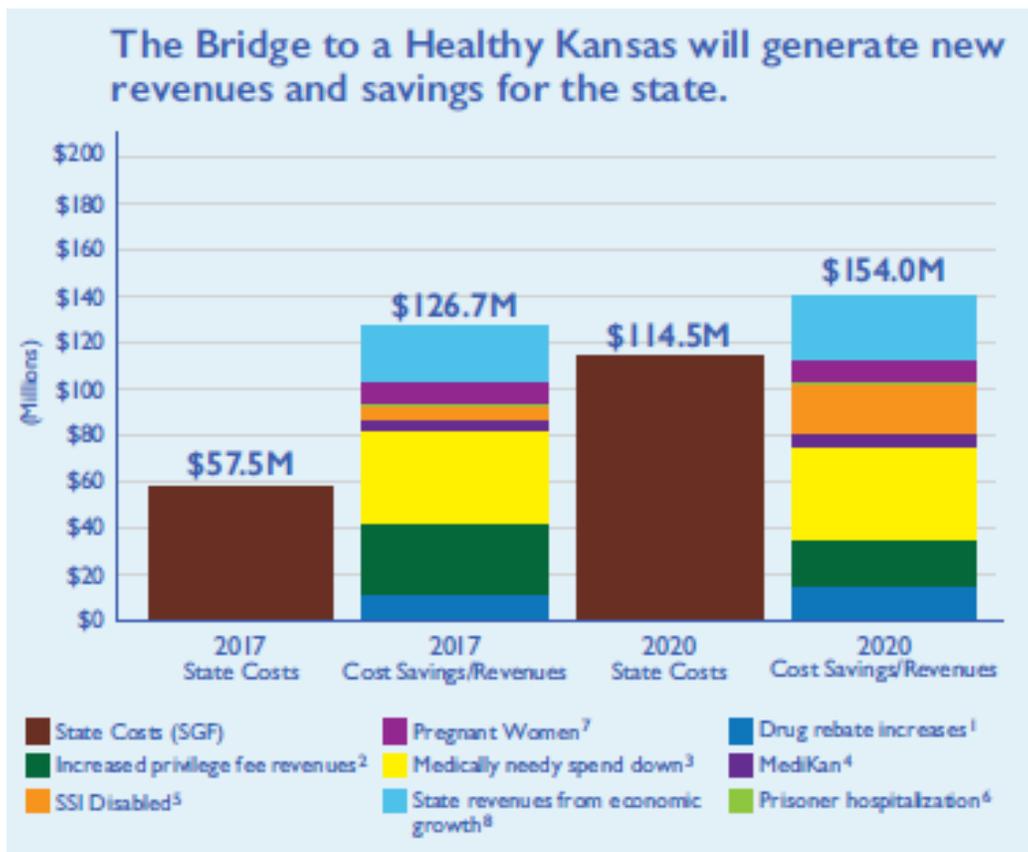
More than 150,000 Kansans need access to affordable health care. They currently earn too much to qualify for KanCare but too little to be eligible to get financial help to buy private insurance. These are hard working men and women who are stuck with few options for affordable health coverage. Without regular care, the uninsured often wait until their health concerns reach the point of needing emergency care, which comes at a higher cost to all of us.

One way to keep health care accessible in our Kansas communities is to insure more patients. The Bridge to a Healthy Kansas will provide more low-income individuals with health care coverage, which in turn helps maintain access to local health care services in Kansas. It also will reduce the occurrence of uncompensated care for the uninsured and the associated costs that are passed along to hospitals and other health care providers.

Since 2010, Kansas hospitals have endured federal reimbursement cuts for health care services. These reductions were supposed to be offset by federal funding for expanding Medicaid, which has yet to pass in Kansas. According to data released by the Kansas Department of Health and Environment, the 2016 average benefit for each of the 84 Critical Access Hospitals in Kansas would be \$255,469. For each of the 16 rural, non-CAH hospitals, the average benefit would be

\$913,418 per hospital. For each of the 28 urban hospitals, the average benefit would be \$6,255,445 per hospital.

The Bridge to a Healthy Kansas is budget-neutral. It makes health care coverage more accessible for low-income Kansans at no additional cost to Kansas taxpayers and without using State General Funds. In fact, with federal funds replacing state funds and a program emphasis on primary and preventive care to lower health care costs, The Bridge to a Healthy Kansas is likely to produce a net financial gain for Kansas. Independent sources suggest the financial gain to Kansas could reach \$126.7 million in 2017, with positive net gains every year thereafter through 2025.



Kansas voters overwhelmingly support expanding KanCare, according to a December 2016 statewide survey commissioned by the American Cancer Society Cancer Action Network. When asked whether they favor or oppose accepting federal funds to increase health care coverage for Kansans who currently fall in the coverage gap and do not have access to affordable health coverage, 82 percent of voters said they favor expansion.

Kansas Hospital Association appreciates the opportunity provide testimony in support of The Bridge to a Healthy Kansas (HB 2064). We strongly urge the committee to take action and favorably adopt House Bill 2064. We would be happy to stand for any questions.