



Kansas Hospital
ASSOCIATION

To: Senate Committee on Ways and Means

From: Chad Austin
Senior Vice President, Government Relations

Date: February 18, 2019

Re: Senate Bill 2

On behalf of the 126 community hospital members of the Kansas Hospital Association, we appreciate the opportunity to provide comments in support of Senate Bill 2. Senate Bill 2 creates the Federal Medical Assistance Percentage Stabilization Fund under the Kansas Department of Health and Environment. The FMAP Stabilization Fund would be initially financed by any monies received by the state of Kansas from the Health Insurance Provider Fee lawsuit. The balance of the fund would be used to assist in covering any future increased costs in the Medicaid program due to changes in the federal matching percentage.

Hospitals across the state provide nearly half a billion dollars of care to Medicaid recipients each year – and that is half a billion dollars at Medicaid rates, that cover, on average, about half of the actual cost of care. The creation of the FMAP Stabilization Fund is an important step in the current uncertain revenue climate to help stabilize funding for the Medicaid program, and by doing so, protect reimbursement rates for Kansas Medicaid providers serving some of the most vulnerable Kansans.

Thank you for your consideration.