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Testimony on Senate Bill 45 Public Health and Welfare Committee Sarah Fertig Kansas Department of Health and Environment February 13, 2023

Chairwoman Gossage and Members of the Committee:

The Kansas Department of Health and Environment Division of Health Care Finance (KDHE-DHCF) appreciates the opportunity to present proponent testimony for Senate Bill 45. KDHE supports SB 45 because it would remove obsolete language from the Children's Health Insurance Program (CHIP) statute and align CHIP eligibility with current federal poverty level (FPL) thresholds.

CHIP provides comprehensive medical and behavioral health coverage for children under 19 years of age who have no other insurance coverage. As of December 2002, there were 51,410 Kansas children receiving CHIP benefits.

During the 2022 legislative session, the Legislature approved a budget proviso to allow KDHE to set CHIP eligibility at 250% of the current FPL – but for state fiscal year 2023 only. KDHE estimated that approximately 550 children would become newly eligible for CHIP under that policy change. SB 45 would simply make the CHIP statute match the state's current policy. Without a statutory change, CHIP eligibility would remain set at 250% of the <u>2008</u> federal poverty levels (FPL). This outdated standard makes it harder for applicants to determine whether their child may be eligible for coverage, and also requires state Medicaid staff to continuously translate the statutory Kansas CHIP eligibility standard to current FPL levels.

SB 45 would also strike an obsolete waiting period provision that became unenforceable following the passage of the Affordable Care Act. Again, this would simply make the CHIP statute match the state's actual policy.

KDHE-DHCF supports SB 45 because it would provide a long-overdue cleanup of outdated statutory language. Thank you for the opportunity to present testimony today.

Sarah Fertig Medicaid Director Kansas Department of Health and Environment Division of Health Care Finance