



TO: House Health and Human Services Committee
FROM: Ken Bacon, President and CEO, Shawnee Mission Health
DATE: March 18, 2015
RE: House Bill 2319 – Support

On behalf of Shawnee Mission Medical Center, I owe it to our patients, our more than 3,000 associates and our entire community to provide this letter of **support for House Bill 2319**.

This bill would strengthen our state's KanCare program by requiring the Kansas Department of Health and Environment to develop a federal Medicaid waiver for KanCare 2.0, a **budget-neutral** managed care program. Specifically, KanCare would be able to provide access to healthcare coverage options for newly eligible individuals. In addition, it would **drive personal responsibility through cost sharing** while rewarding responsible health choices and healthy outcomes.

With nearly 700 doctors on our Medical Staff, **we see more than 20,000 inpatient admissions and approximately 200,000 outpatient admissions each year. In addition, we treat about 52 percent of the uninsured population in Johnson County.** Uninsured patients represent approximately seven percent of our system's total patient population, and Medicaid covers 7.68 percent of all hospital services. Reducing our uninsured patient population by expanding KanCare would help offset about one-third of the \$5.6 million in federal cuts to our system annually.

Similar to other states, Kansas hospitals agreed to cuts in federal reimbursements to hospitals to pay for health coverage expansion. This was based on the assumption that the impact of those cuts would be softened with the expansion of Medicaid leading to reimbursement for newly eligible individuals. Since this has **not happened in the state, the lack of reimbursement to hospitals for this population is having a direct and detrimental impact on our ability to provide access to care.**

We are one of the largest employers in Johnson County. Decisions such as this one have a broad impact on our ability to add and retain staff. Even more importantly, this decision affects our ability to meet the medical needs of those we serve, which would have a chilling effect on our community's economic health as a result.

I believe KanCare is a viable model worthy of expansion and that Kansas should get the full economic benefits of federal funds.

Most importantly, **I want people without health insurance to have access to preventive and primary care** so they can improve and manage their health, which in turn will **lower costs**.

Ultimately, this **benefits both society and our state**.

Thank you for your consideration.