

House Insurance Committee
March 16, 2015

Mr. Chairman and Committee Members-

My name is Cindy Luxem, President and CEO of the Kansas Health Care Association and Kansas Center for Assisted Living, a trade association with a membership of nursing homes, assisted living, residential health care, home plus, and nursing facilities for mental health. We are the oldest and largest nursing home trade association in Kansas. Our membership consists of nursing home, assisted living, residential health care and home plus providers taking care of 15,000 elders across the state each and every day. The homes who care for these elders directly employ more than 45,228 Kansans. And you might not be aware of this but there is a senior care home in each and every county one of the 105 counties in the state. KHCA/KCAL has a member home in the majority of counties.

On any given day in Kansas, our folks are caring for the most fragile and those so important to all of us. Midwest Health, a Kansas based multi-regional company, celebrating 38 years this month, paid almost \$35 million in payroll wages throughout their 36 homes in Kansas. Midwest Health is a very important part of the Kansas health care delivery network. Many of their homes are one of the main employer in their rural community. And because the majority of my members are for-profit, they pay their property taxes. Midwest Health for example, paid more than \$1.3 million in property taxes. In addition, they continue to reinvest in Kansas and expand their services to meet the ever increasing need of an aging population.

We are here today to offer support of SB 117. This piece of legislation seeks to balance the rules of the Health Care Stabilization Fund. Specifically, under current rules if hospitals or doctors meet certain criteria, they are allowed to self-insure as long as they meet similar criteria.

All of this brings us to SB 117. Providers are in the process of joining the fund. As our members are coming into compliance, they are asking for the same consideration for self-insuring. SB 117 allows for this definition change to provide the option. I can assure you we take the inclusion into HCSF very serious and want to be great participants. We also want to provide a level playing field for our providers, so that they can continue to be strong, viable financial partners in communities all across Kansas.

We would appreciate your support of SB 117.