

To: House Committee on Health and Human Services From: Aaron Dunkel, VP of Regulatory and External Affairs, Community Care Network of Kansas RE: HB 2386 – CHIP Eligibility Requirements March 5, 2025

Chairman Carpenter and Members of the Committee,

Thank you for the opportunity for Community Care Network of Kansas to submit written testimony in support of HB 2386, updating the law to set income eligibility for the Kansas Children's Health Insurance Program (CHIP) at 250 percent of current poverty income guidelines according to the Federal Poverty Level (FPL) set by the federal government. This change allows for a responsive eligibility level, as opposed to the limit being attached to 2008 FPL, as the current law does. I am Aaron Dunkel, Vice President of Regulatory and External Affairs for Community Care. We are a statewide association serving 25 health centers and community-based clinics providing care at more than 90 sites across Kansas. Clinics in this network serve anyone, with a specialty of providing care to the most vulnerable and underserved Kansans. In 2023, our network provided more than 113,000 Kansas children with whole-person care including medical, dental, mental health, substance use disorder, pharmacy, and enabling services to meet transportation and other social and economic needs.

Community Care supports HB 2386. The changes made in this bill largely correct a decision made in 2008 that progressively eroded the number of children eligible for CHIP each year. Since the federal government adjusts the poverty guidelines annually as the cost of living increases, holding income limits steady at the 2008 FPL has the effect of annually reducing CHIP eligibility relative to the poverty level. Without the proviso passed by the Legislature in 2024, the effective income limit for 2025 would be only 167 percent of the current FPL, making thousands of children whose families earn between 167 and 250 percent of FPL ineligible for CHIP. As costs continue to rise, this eligibility limit will get progressively lower, and the number of children denied eligibility will continue to grow.

Due to tying Kansas to a 2008 income standard, many Kansas families could miss out on CHIP coverage for their kids. Without insurance, some of those families would go without care, while others would turn to health centers to provide discounted care for their children. Because these clinics provide care regardless of their patients' ability to pay, increasing the number of families without health coverage for their children means that clinics increase the amount of uncompensated care they provide. Correcting this error allows clinics to utilize their resources to serve more patients and expand the services provided to communities. This bill is good for Kansas children, good for Kansas families, and good for Kansas.

In recent years, the state has addressed this issue through annual budget provisos. This is an imperfect solution because it needs to be done annually, and in times of tight budgets, striking the proviso becomes a tempting quick fix. What is needed is a permanent, statutory solution, which is exactly what HB 2386 provides. We encourage the committee to approve this bill.