



Written Testimony to Request Increase in Pediatric Medicaid Rates

March 5, 2025

Good afternoon, Chairperson Billinger and Senate Ways and Means Committee members. I am Tosha Vann, a board-certified pediatrician practicing in the Kansas City metro area. Originally from Ohio, I served at the Whiteman Air Force Base in Missouri, which brought me to this part of the country. Today, I represent the Kansas Chapter American Academy of Pediatrics and more than 400 practicing pediatricians and trainees. Our mission is simple: to ensure every child and adolescent in Kansas can grow up healthy, safe, and strong. However, low Medicaid (KanCare) reimbursement rates threaten this goal by limiting children's access to essential health care. **We respectfully urge you to support increasing primary care reimbursement rates for sick and acute pediatric visits in the KDHE budget to align with Medicare rates. This investment of \$1.66 million in general funds would leverage \$4.16 million in all funds, strengthening access to critical pediatric care across Kansas.**

More than two-thirds of Kansans (68%) enrolled in KanCare are children, making up the largest group served by the program—approximately 280,000 in total. Providing these children access to preventive, screening, diagnosis, and treatment services through KanCare supports their healthy development, reduces the risk of developmental delays and disabilities, and helps prevent chronic diseases. This, in turn, lowers healthcare costs now and in the future.

Low Medicaid rates are a key barrier to children's access to pediatric care. Current rates directly affect children's access to care by influencing providers' participation in the program, regardless of the type of provider. Pediatricians are among the largest providers in KanCare. Consider the following.

1. **Provider Availability:** Low Medicaid reimbursement rates can discourage healthcare providers from accepting Medicaid patients, leading to a shortage of doctors, specialists, and dentists willing to treat children covered by Medicaid. This can result in long wait times and difficulty finding care, especially in rural or underserved areas.
2. **Quality of Care:** Lower rates can limit providers' ability to invest in resources, technology, and staff to deliver high-quality care, potentially impacting the overall healthcare experience for children.
3. **Preventive Services:** When reimbursement rates are too low, providers may need to prioritize higher-paying patients, reducing access to preventive services like vaccinations, screenings, and early interventions essential for children's long-term health.
4. **Specialist Access:** Many pediatric specialists, such as neurologists, psychiatrists, and developmental therapists, already have limited availability. Lower Medicaid rates can make it even harder for children to receive timely specialist care, delaying diagnoses and treatments for conditions that require early intervention.
5. **Clinic Sustainability** – Pediatric clinics relying heavily on Medicaid funding may struggle financially if rates are too low, potentially leading to service reductions, closures, or fewer appointment slots for children in greatest need.



I want to share my story to highlight these challenges. Many Kansas children struggle to find a pediatrician who accepts Medicaid, creating a system where privately insured children receive better and faster care. Children with Medicaid may have to wait longer for appointments, travel further to see their pediatrician, and struggle to access specialists, worsening their medical conditions.

Like my other colleagues, I became a pediatrician to care for all children. I joined Heartland Primary Care because that was also its mission. On January 1, I had to make the difficult decision to stop accepting new Medicaid patients over the age of five. Currently, 62% of the children I treat are on KanCare, which pays for primary care services at approximately 61% of Medicare rates for adult care. This means the payments I receive for most of my patients fall far short of covering the actual cost of their care. The payments I receive for these children also fall far short of those from commercial insurers.

With rising overhead and clinical expenses, this model was not sustainable. As the newest partner in the practice, I have the least established patient panel and, therefore, the greatest capacity to serve children on KanCare. However, the gap between Medicaid payment and the cost of care limits my ability to do so. I am not alone in facing this challenge, and I worry that access to primary care pediatricians will continue to decline unless rates improve. Low Medicaid rates also make recruiting and retaining pediatricians challenging, particularly in rural areas, threatening the state's future of children's health care.

I am here today, urging you to consider increasing primary care rates for sick and acute pediatric visits to the same level as Medicare rates. To do this, the legislature would need to invest less than \$1.66 million in state funds, ultimately drawing down \$4.16 million in all funds. The chart in Attachment 1 provides detailed information on the current rates, the proposed rates, and the differences between the two. Additionally, it demonstrates how increasing the KanCare rates for pediatric primary care will more closely align with the comparable rates in neighboring states.

Increasing Medicaid pediatric rates can improve provider participation, expand access to timely and quality care, and ultimately lead to better health outcomes for children. Investing in children's health creates a **cycle of economic benefits**—healthier children become productive adults, reducing state expenditures on healthcare, welfare, and criminal justice while increasing tax revenues. It's not just a moral choice; it's a **smart financial strategy** for long-term economic growth.

Thank you for considering this request. The Kansas Chapter American Academy of Pediatrics and I are available to provide any additional information or answer questions. We remain a resource for you on all matters related to children's health.

Respectfully submitted,

Tosha Vann, MD, FAAP
Kansas Chapter American Academy of Pediatrics
Public Policy Committee



Attachment 1

Increase Medicaid Rates for Pediatric Services

Children comprise 68% (280,000) of Kansas Medicaid enrollees, relying on services like well-child visits, sick visits, and vaccinations. Kansas Medicaid reimburses primary care at 61% of Medicare rates, lagging behind neighboring states. Low rates force pediatricians to absorb financial losses, often limiting the number of Medicaid patients they can see. This can drive more children to emergency rooms, increasing costs and harming their health. A \$1.66 million SGF investment¹ (\$4.16 million all funds) would bring Medicaid rates in line with Medicare and neighboring states, ensuring better access to care for Kansas children.

| Code | Rate (\$) | | | | | | |
|---|-------------------------------------|----------|--|---------------|---------------|---------------|---------------|
| | Kansas Medicaid (2024) ² | Medicare | % difference: Kansas Medicaid & Medicare Rates | Nebraska | Colorado | Oklahoma | Missouri |
| Sick Visit – New Patient | | | | | | | |
| 99201, minimal severity | 30.91 | 43.25 | 42% | Not available | Not available | Not available | Not available |
| 99202, self-limited or minor severity | 50.66 | 67.91 | 34% | 52.63 | 48.42 | 63.58 | 60.41 |
| 99203, low to moderate severity | 75.45 | 105.04 | 39% | 77.56 | 100.85 | 98.92 | 92.91 |
| 99204, moderate to high severity | 107.12 | 156.85 | 46% | 110.80 | 134.25 | 147.63 | 138.56 |
| 99205, complex problems | 136.62 | 207.14 | 52% | 144.04 | 182.37 | 195.08 | 183.27 |
| Sick Visit – Established Patient | | | | | | | |
| 99211, minimal severity | 16.36 | 21.64 | 33% | 19.39 | 19.35 | 20.02 | 19.16 |
| 99212, self-limited or minor severity | 29.76 | 53.01 | 78% | 33.24 | 46.56 | 49.59 | 46.85 |
| 99213, low to moderate severity | 40.84 | 85.09 | 108% | 49.86 | 74.02 | 79.76 | 75.21 |
| 99214, moderate to high severity | 64.22 | 120.06 | 87% | 74.79 | 109.58 | 113.10 | 106.15 |
| 99215, complex problems | 94.00 | 169.27 | 80% | 108.03 | 146.36 | 158.84 | 149.71 |

¹ This comes from the KDHE fiscal note from our 2024 legislative request. At that time, their fiscal note was based on 2024 rates and increasing the rate to 90% of the Medicare Rate.

² KAAP does not have access to the 2025 rates, enacted July 1, 2024