



*NORTON COUNTY HOSPITAL*

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TO: House Health and Human Services Committee

FROM: Ryan Stover, CEO

DATE: March 18, 2015

RE: House Bill 2319 – Support

On behalf of Norton County Hospital, I am pleased to provide a letter of support for House Bill 2319, which requires the Kansas Department of Health and Environment to develop a federal Medicaid waiver for a budget-neutral managed care program known as KanCare 2.0. KanCare 2.0 would provide access to healthcare coverage options for newly eligible individuals while employing personal responsibility through cost sharing and rewarding healthy outcomes and responsible health choices.

Like all hospitals in the state of Kansas, the Norton County Hospital's main goal is to provide quality healthcare to the citizens of our community, but because of all the changes and new regulations being introduced into our industry, it is becoming a major challenge to comply with everything and still deliver the quality healthcare that our community needs and is deserved. In short, hospitals are doing much more with much less. We have already experienced funding cuts from sequestration, disproportionate share funding and reductions in payments from nearly all payers while additional cuts are being considered by Congress. Hospitals are being forced to convert to an electronic health record that is extremely costly in terms of both the product and man power to implement them. Recovery audit contractors have hospitals focusing on adding support in the medical records departments and utilization review programs to make sure that proper care is being delivered in the proper setting. The government is focusing on paying our facilities on the quality of our healthcare which is a positive direction for healthcare, yet a very challenging program to implement.

Due to the amount of additional resources needed to comply with all the items listed above, our Hospital will soon be faced with looking at a possible reduction in services in order to continue to be viable. We provide many much needed services to our community that do not generate the revenue we need to keep things going. The expansion of Kancare would greatly improve our outlook on delivering healthcare to our community. Thank you for the consideration in expanding this program as it would help Kansas hospitals continue to provide the necessary care to our community members.