Phillips County Hospital

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TO:

House Health and Human Services Committee

FROM:

Dave Engel - FACHE,

CEO

Phillips County Hospital

Phillipsburg, KS

DATE:

March 18, 2015

RE:

House Bill 2319 – Support

On behalf of Phillips County Hospital, I am pleased to provide this 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 better 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.

Phillips County Hospital is the 3rd largest employer for Phillips County. With a payroll budget that exceeds \$4 million annually, we generate nearly \$15 million to the local economy. Annually we serve well over 22,000 health care visits for various services from our two rural health clinics to community members in need of inpatient care. Our Emergency Department is approaching a record breaking year of over 1500 emergency room visits.

As an institution we have been providing on the average well over \$330,000 of charitable care or free care from bad debt write offs the past several years. In 2013 we provided well over \$600,000 in reduced care to our community.

I am very concerned with future cuts to hospitals and healthcare services. As a county with approximately 6.2 residents per square mile, it has become very challenging to provide services for which we receive very little payment, if anything, for the services we provide.

It has been proven time and time again by states that have expanded their Medicaid systems. Kansas hospitals and communities are on the cusp of imploding if our State continues to do nothing to protect our citizens and rural communities. I therefore, wholly recommend you consider expanding into KanCare 2.0 as co-developed with the Kansas Hospital Association.

