William H. Marting Senior Vice President and Chief Financial Officer Executive Office

February 13, 2017

Chairman Waymaster and members of the committee:

The University of Kansas Health System is pleased to support and endorse HB 2180. Passage of this bill is a positive first step in restoring the Medicaid provider cuts imposed on July 1, 2016. We encourage the legislature to consider additional steps to ensure the revenues generated are truly paid by the organizations targeted in this bill and not merely a cost shift to providers.

The taxes in this bill could be passed on to hospitals and clinicians through rate reductions, increased denials and the downgrading of medically necessary services. We don't believe it is the intent of the legislature for Medicaid providers to bear the burden of restoring their own payment cuts or passed through to policy holders in the form of rate increases. To that end, we encourage the committee to consider additional language ensure this is not the outcome.

We ask for your support and passage of HB 2180 and encourage you to strengthen this bill to ensure it accomplishes its intent to restore the Medicaid cuts to the hospitals and clinicians impacted by them. Thank you for your consideration and for your commitment to Kansas Medicaid providers.

Sincerely,

William H. Marting

SVP and CFO of The University of Kansas Health System