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WRITTEN TESTIMONY in OPPOSITION TO HB 2065

House Health and Human Services Committee

March 16, 2017

My name is Bob Williams, Executive Director of the Kansas Association of Osteopathic Medicine (KAOM). Thank you for this opportunity to address the Committee regarding HB 2065.

The 4% cut to Medicaid providers lowers an already barely sustainable reimbursement for health care providers who participate in KanCare. The situation is exacerbated by the failure of the legislature to expand Medicaid in Kansas. It is unreasonable to expect health care providers to continue to provide health care to Medicaid recipients when their reimbursement is continually reduced. When KanCare was implemented, physicians were assured their reimbursement would not be reduced and therefore supported the legislation. KAOM believes the 4% reduction in reimbursement is a betrayal of the trust the physician community placed in the administration and legislature to hold their reimbursement harmless.

In an effort to offset the 4% cut to Medicaid providers, HB 2065 imposes a 4.65% fee on hospitals for inpatient services (as is identified on page 3, section 3 of the bill). This robbing Peter to pay Paul scheme to offset budget deficits is unacceptable to KAOM and the health care provider community. It is already difficult to recruit physicians to Kansas. The state is rapidly gaining a reputation as an unfriendly state when it comes to support for the state's health care infrastructure. HB 2065 will only exacerbate that issue.

KAOM encourages the Committee to oppose HB 2065.

Please do not hesitate to contact me should you have any questions.

Thank you.