



Testimony Presented to the House Appropriations Committee on HCR 5013

By

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Chairman Rhoades and members of the committee, thank you for the opportunity to present testimony on HCR 5013 on behalf of Via Christi Health.

Via Christi Health is the largest provider of health care services in Kansas. We serve Kansas and Northeast Oklahoma through our owned or co-owned medical centers, physician clinics, senior villages and programs and our retail (home-based) and outpatient services.

Via Christi appreciates the thoughtful and deliberate approach Governor Brownback has taken regarding the decision on Medicaid expansion. We also understand the magnitude of this decision and the challenge of forecasting the impact of a yes or a no decision. However, as a Catholic health care ministry, we believe expanding access to health care at the appropriate level and at the right time to an additional population of very low income Kansans fits squarely within our mission to serve not only our communities, but the particularly those who are vulnerable.

In the Conclusion section of the Ethical and Religious Directives for Catholic Health Care Services (Fifth Edition) it states, "Jesus not only taught his disciples to be compassionate, but he also told them who should be the special object of their compassion. The parable of the feast with its humble guests was preceded by the instruction: 'When you hold a banquet, invite the poor, the crippled, the lame, the blind' (Lk 14:13). These were the people whom Jesus healed and loved."

Notwithstanding what Via Christi believes to be morally the right thing to do, if our state chooses not to expand Medicaid, we feel strongly the financial consequences to health care providers and our state will be greater than if we say yes. Hospitals are already absorbing significant cuts in reimbursement in order to pay for the expansion of Medicaid coverage to the poor and other parts of the Affordable Care Act (ACA). The revenue cuts to Via Christi amount to \$22.4 million annually. If Kansas allows Medicaid expansion, Via Christi would realize \$7.5 million per year, offsetting about a third of the cuts.



The reimbursement cuts we are currently experiencing are presenting challenges for our organization to meet our mission of being a healing presence for the communities we serve. Our margins are below what we need to sustain our mission, so any additional cuts in reimbursement will strain our ability to maintain the level of service and quality we provide to all our patients. If we see the additional cuts as a result of not expanding Medicaid, we will have to reduce an additional 150 jobs.

Saying no also will have negative consequences on our state's economy. As we discussed in our meeting with you, Via Christi and health care providers across the state serve individuals who would benefit from Medicaid expansion. Unfortunately they are being seen at the highest cost point of care – the emergency room – care that is fragmented, uncoordinated, expensive, and ineffective. Via Christi has been supportive of the Governor's goals of reforming and improving the state's Medicaid system. If we could move these Kansans into a more effectively managed health care system such as KanCare, we believe we can improve the overall health of this population, and therefore lower health care costs for individuals and businesses that are currently paying for them through higher private health insurance premiums. If successful, and we believe it can be, KanCare could be a model for other states to replicate.

We look forward to the opportunity for further discussion on this important issue, and want you to know we will continue to work with Governor and the legislature to explore every potential option to expand access to meaningful and effective health care for all Kansans, and in a manner that is fiscally responsible.