



Date: February 16, 2021

To: Senate Committee on Public Health and Welfare
Senator Richard Hilderbrand, Chair

From: Alex Orel, Senior Vice President – Government Relations
Kansas Bankers Association

Re: Support for Senate Bill 175

Dear Chair Landwehr and Members of the Committee:

I am Alex Orel appearing on behalf of the Kansas Bankers Association (KBA), organized in 1887 and whose membership includes 98% of the 220 banks and savings & loans headquartered in Kansas. Our membership also includes 19 out-of-state commercial banks operating in Kansas. The Kansas banking industry employs more than 22,000 Kansans that provide financial services in every county across the state. Our organizational mission statement is:

"Together, we support our member banks and bankers with leadership, advocacy, and education to benefit the communities and customers they serve."

On behalf of the Kansas Bankers Association, we want to express our strong support for the Kansas Hospital Association's proposal to establish a state designation of a rural emergency hospital. Keeping rural health care in our state alive and vibrant is an important aspect of maintaining the vitality of rural communities. Access to high quality health care within a reasonable driving distance is important to ensuring our rural economies remain vibrant. For this reason, hospitals in rural areas should have access to funding models that reflect their individual financial and demographic profiles.

Health care in rural Kansas faces many challenges including population decline, a growing uninsured population, workforce and financial challenges. Kansas policymakers can ensure that our state's hospitals have the ability to alter their size and model if their financial needs call for it, by allowing the Rural Emergency Medical Center model as an option. Communities should not be forced to make a decision between a legacy hospital model and no hospital at all, so a third option that maintains access to emergency services, primary care physicians and outpatient services is vital.



The Kansas Bankers Association also values the economic impact of health care to Kansas communities. The state's health care sector generated \$17.9 billion in income and \$31.7 billion in sales, ranking it fifth among all economic sectors in the state. The health care sector also is the third largest aggregate employer in the Kansas and the number one employer in many Kansas communities. A strong health care system attracts and retains business, creates local jobs, and keeps retirees in our local communities.

As you consider SB 175, we ask that you support the Rural Emergency Hospital model. We feel confident that by allowing for possible changes in rural hospital delivery models, our constituent communities will have more options to keep their health care profiles strong. Access to high quality health care is vital to a strong rural economy, and we support SB 175.

Thank you for your consideration of this legislation.