

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

From: David Jordan, President and CEO, United Methodist Health Ministry Fund

Date: February 15, 2021

RE: Senate Bill 175

Chairwoman Hilderbrand and honorable members of Senate Public Health and Welfare Committee:

Thank you for the opportunity to provide the Senate Public Health and Welfare Committee testimony in support of Senate Bill 175. The bill establishes rural emergency hospitals as a rural health care licensure category and it will allow financially vulnerable hospitals to have great flexibility accessing resources and adapting to the challenging and changing health care landscape.

A strong health system is critical to thriving rural communities and the health of rural Kansans. Even before COVID-19 began surging in rural Kansas, it was becoming more difficult to sustain health care services in a changing Kansas, where the rural health system is starved of resources with limited opportunity to innovate.

Significant shifts in population – sharp rural depopulation and an increase in older residents – make maintaining health care and other important services in rural communities more tenuous each year. Compounding the problem is the growing number of uninsured residents in rural Kansas, driving up uncompensated care costs and changes in how and what services are delivered in rural hospitals. And finally, the current financing system restricts the ability of hospitals to adapt to the changing times. Together, these challenges threaten health care in rural Kansas communities.

To help address these concerns, in late 2020 Congress passed legislation establishing the Rural Emergency Hospital Program as a strategy to help rural hospitals and provide them with tools to adapt to the changing health care landscape.

Senate Bill 175 establishes the licensing framework to create rural emergency hospitals in Kansas. To enable Kansas hospitals to take advantage of this voluntary and innovative new rural emergency model created by the federal government, Kansas needs to establish the regulatory framework outlined in Senate Bill 175.

To help strengthen rural hospitals in Kansas and ensure our hospitals have an opportunity to participate in a new, innovative model, we ask you to support Senate Bill 175.

Please, be in touch if I can be of assistance. Thank you in advance for your time and consideration of my testimony.