

The Budget Bill Is Bad for Kansas

The “One Big Beautiful Bill Act” will terminate health coverage, drive up costs and cut care across the country — eliminating health coverage for nearly 16 million people¹ and resulting in over 51,000 preventable deaths nationwide.² **If Congress charges ahead with either the Senate or House version of the bill, at least 75,000 Kansans will lose health coverage,³ and Kansas’ uninsured rate will increase by 30%.⁴**

The budget bill threatens the health and financial security of Kansans in every community:

- **Makes the largest cut to Medicaid in history**, gutting a whopping **\$859 billion** from Medicaid⁵ and the low-income families, workers, veterans and people with disabilities who rely on it for their care, including 412,000 children and adults in Kansas.⁶
- **Drains \$349 billion from Marketplace coverage,⁷** jeopardizing small businesses and entrepreneurs in Kansas.
- **Forces another \$500 billion in mandatory cuts to Medicare** by triggering federal spending laws — on top of the Medicaid cuts that will already impact seniors and people with disabilities who are also covered by Medicare (dual-eligibles).

The budget bill will wreak havoc on Kansas’ health system and economy

Kansas will be forced to offset budget holes caused by this bill by terminating coverage for families, eliminating essential health services, and cutting provider rates so drastically that doctors and hospitals are forced to close their doors — particularly in rural communities.

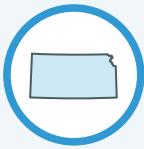
Hospitals like The University of Kansas Health System Great Bend Campus and Smith County Memorial Hospital in Smith Center will be at greater financial risk of closing due to Medicaid cuts in the bill.⁸

Congress should reject these harmful cuts and instead take steps to protect health coverage programs that serve as lifelines for Kansans.

The budget bill will roll back the last decade of improvements to Kansas health coverage and care

Kansas Medicaid, including its managed care program KanCare, will face major cuts, forcing the state to make tough decisions about rolling back the services it provides — including dental care, prescription drugs and mental health care. The bill would also raise costs for Kansas' low-income seniors and people with disabilities who have Medicare coverage but also rely on Medicaid to help pay for out-of-pockets costs and access services not covered by Medicare. These cuts undermine the core financial backbone of Kansas' health care system, as Medicaid pays for a significant portion of care and services at local clinics and hospitals and serves as a critical engine for the state's economy.

Kansas Medicaid covers 412,000 children and adults:⁹



1 in 7 Kansas residents.¹⁰



283,000 children — 41% of all children in Kansas.¹¹



104,000 seniors and people with disabilities in Kansas.¹²

The Marketplace will be undermined in its mission to provide access to health care for Kansans who do not qualify for Medicaid and do not have affordable coverage through their employers. The bill would make it harder for Kansans to buy their own health coverage through the Marketplace without preexisting condition exclusions. Marketplace coverage provides comprehensive health benefits, including cancer screenings and treatment for diabetes and high blood pressure. The bill was also written with the assumption that Congress will allow enhanced premium tax credits to expire, which will make coverage even more unaffordable for Kansans.

The Marketplace provides:



Coverage for **200,000 Kansas residents.**¹³



Coverage for **12,000 small-business owners** in Kansas and **20,000 self-employed** Kansas residents.¹⁴



Premium tax credits to help **94% of Kansas enrollees** pay their premiums.¹⁵

The budget bill will harm Kansas families, workers and small businesses by wrapping health coverage and care in red tape, undermining critical consumer protections, and making health care unaffordable.

✓ **Making public and private coverage more expensive, harder to get and keep**

The bill will impose higher out-of-pocket costs and cumbersome verification procedures for both Medicaid and the Marketplace. It will also eliminate automatic enrollment and shorten the annual open enrollment period for the Marketplace, threatening coverage for the **77,000 people in Kansas who will no longer be able to automatically reenroll** in their Marketplace plans from year to year.¹⁶ Around 66,000 additional Kansans will become uninsured if Congress fails to renew enhanced premium tax credits that help them afford plans offered through the Marketplace.¹⁷

✓ **Keeping working people and children off coverage by creating bureaucratic barriers**

Under current law, Medicaid offers a critical safeguard for new Medicaid enrollees by covering medical expenses up to three months prior to the official application date. This ensures vulnerable populations — such as children and older individuals who experience a sudden health decline or newly pregnant women who need care immediately — do not go into insurmountable medical debt while waiting for their paperwork to be processed.

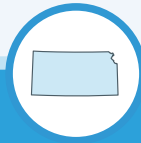
Restrictions on retroactive coverage will increase people's risk of medical debt as they wait for Medicaid and Children's Health Insurance Program (CHIP) enrollment. The act would restrict retroactive coverage to one month (House-passed version) or two months (Senate-proposed version) prior to enrollment, putting Medicaid-eligible populations at a significantly higher risk of medical debt, particularly as the bill would create long backlogs of paperwork approvals. These policies would make the medical debt crisis much worse for families. **In fact, 16% of residents in Reno County and 11% of residents in Wyandotte County already have medical debt in collections.**

✓ **Rolling back consumer protections for children**

For children enrolled in CHIP, the act will eliminate current bans on annual and lifetime caps, enrollment waiting periods, and lockout periods for families who miss a premium payment because they cannot keep up with the cost of coverage.

✓ **Raising costs for the poorest and most vulnerable Kansans covered by Medicare**

Medicaid helps about 62,000 seniors and people with disabilities afford their Medicare expenses,¹⁸ including premiums and out-of-pocket costs when they see a doctor or need a hospital stay. The act will eliminate commonsense approaches like automatic data verification and streamlining applications, which will make it harder for these Kansans to get the help they need to pay for their health care.



KANSAS' HEALTH CARE SYSTEM WILL LOSE AN ESTIMATED

\$219 MILLION

PER YEAR IN FEDERAL FUNDING

The bill will create a crisis for Kansas' health system and state budget

With over 75,000 Kansans set to lose access to their Medicaid and Marketplace coverage, **Kansas' health care system will lose an estimated \$219 million per year in federal funding**, making it nearly impossible for the state to maintain current levels of coverage, benefits and payments to providers.¹⁹ Kansas taxpayers will have to spend at least that much each year to cover additional uncompensated care costs at hospitals and clinics that provide health care services to newly uninsured residents who lack the ability to pay. **The loss of federal funding will cause at least 4,900 total job losses (including jobs outside the health care sector) and \$832 million in reduced economic output in the state.**²⁰

The act will eliminate Kansas' flexibility to fund Kansas Medicaid in a way that works best for the state by freezing taxes on health care providers at current rates. This will leave Kansas with few options to address budget shortfalls and meet future demands resulting from hardships caused by storms, public health emergencies and economic downturns.

- Under both the House and Senate version of the bill, if Kansas has a future Medicaid budget shortfall and needs to raise revenue, it would not have the option to turn to new provider taxes as a funding source and would have to consider income, sales and other taxes.
- Kansas currently taxes nursing facilities at lower rates than many other states. Under the House version of the bill, Kansas would be at a disadvantage compared with those states that would have their provider taxes frozen at higher rates.²¹

Cuts will make it much harder for Kansas to fund:

- **1 in 3 births** for Kansas mothers.²²
- **3 in 5 Kansas** nursing home residents.²³
- **Hospital services at 127 Kansas hospitals.**²⁴ For example, Medicaid pays for 25% of all hospital services at Mercy Hospital Columbus and 17% of all hospital services at Mercy Hospital Pittsburg.²⁵

**The Senate should reject this ill-conceived proposal
and instead vote to protect access to Medicaid,
the Marketplace and Medicare so that:**

CHILDREN IN KANSAS

Have access to newborn care, checkups, care for diabetes and asthma, and more.

Stay healthy and ready to learn, miss fewer school days, are more likely to graduate, and earn more as adults.²⁶



FAMILIES IN KANSAS

Have access to cancer screenings, mental health and substance use disorder treatment, and diabetes and blood pressure medications.

Have less risk of medical debt and eviction and can better afford to buy groceries or pay rent.²⁷



SENIORS IN KANSAS

Have access to nursing home care, transportation to medical appointments, and home health services.

Stay healthy and receive needed care in their homes and communities.



The bill's proposed cuts to Medicaid, the Marketplace and Medicare are direct attacks on the health and financial security of Kansas residents and run counter to the will of the vast majority of voters from across political parties.²⁸

- **90% of Kansas voters** want a “strong, sustainable Medicaid program.”²⁹
- **70% of Kansas voters** oppose cutting funding for Medicaid.³⁰
- **82% of adults nationwide** — including 67% of Republicans — want Congress to maintain or increase Medicaid spending.³¹

**Congress has the responsibility to stand with families in
Kansas and across the country by rejecting these cuts.**

Endnotes

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