

**Proponent Testimony on House Bill 2386
Health and Human Services Committee
Yvonne Case, Director of Medicaid Operations
Kansas Department of Health and Environment
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Chairman Carpenter and Members of the Committee:

The Kansas Department of Health and Environment Division of Health Care Finance (KDHE-DHCF) appreciates the opportunity to provide testimony in support of House Bill 2386.

Enacted in 2008, subsection (b)(7) of K.S.A. 38-2001 set the CHIP income limit for 2010 and subsequent years at 250% of the 2008 federal poverty level. Because the income limit was tied to the 2008 federal poverty level, instead of the level for each successive year, the CHIP income limit effectively decreased each year as a percentage of the federal poverty level. As a result, the CHIP income limit in 2022 was only 200% of the current federal poverty level.

To address this issue, SB 267 was passed in 2022 authorizing new funding for state fiscal year 2023 to raise the CHIP income limit to 250% of the current year's federal poverty level. This additional funding has been renewed each subsequent year through appropriations bills. Without this enhanced funding authorization each year, the CHIP income limit would revert to the statutorily imposed 250% of the 2008 federal poverty level.

Section 1(b)(7) of HB 2386 proposes to remove the outdated language from K.S.A. 38-2001 to align the CHIP income limit with the current federal poverty level for this and each successive year. KDHE-DHCF supports this bill as it would permanently codify the CHIP income limit into law at 250% of the federal poverty level.

Section 1(b)(8) removes an outdated waiting period provision that became unenforceable after the passage of the Affordable Care Act in 2010. This proposed change aligns the statute with current state and federal policy and helps eliminate confusion regarding state CHIP eligibility requirements.

Section 1(e) removes an outdated penalty provision for non-payment of premiums within a continuous eligibility period that became unenforceable after the passage of the Consolidated Appropriations Act of 2023. This proposed change aligns the statute with current state and federal policy.

In summary, KDHE-DHCF supports HB 2386 as it will comport the language of the statute with the legislative intent to fund the CHIP program based on an income limit of 250% of the federal poverty level as well as remove obsolete, unenforceable CHIP eligibility requirements from the statute.

Thank you for the opportunity to provide this testimony.