

Stormont Vail Health Written Testimony in Opposition to HB 2246

Thank you, Chairman Sutton and members of the House Insurance Committee, for allowing Stormont Vail Health to provide testimony. My name is Stacie Mason, and I serve as Senior Vice President and Chief Financial Officer at Stormont Vail Health. Our health system provides care across 16 counties in northeast Kansas, including at our rural hospital in the Flint Hills region, which serves as a vital healthcare resource for surrounding communities. I am writing to express our strong opposition to HB 2246, which seeks to impose additional hospital price transparency requirements at the state level. While transparency in healthcare pricing is important, this bill is both unnecessary and harmful to hospitals, particularly rural facilities that are already operating on razor-thin margins. I urge you to reconsider this legislation for several key reasons outlined below.

Duplicates Existing Federal Requirements

Hospitals are already subject to extensive federal price transparency regulations. The Centers for Medicare & Medicaid Services (CMS) has enforced the Hospital Price Transparency Final Rule since January 1, 2021. This federal rule requires hospitals to publicly post standard charges, provide machine-readable files, and ensure consumer-friendly price display formats. Kansas hospitals, including ours, have diligently complied with these requirements, undergoing audits and making necessary adjustments. HB 2246 does not add meaningful value, it simply duplicates federal law while increasing administrative burdens on hospitals.

A Punitive Approach That Harms Hospitals and Patients

One of the most troubling aspects of HB 2246 is its punitive enforcement structure. Rather than focusing on collaboration and compliance, the bill subjects hospitals to civil lawsuits and referrals to the U.S. Department of Health and Human Services (HHS) for enforcement. This significantly increases legal and financial risks for hospitals. The financial penalties and legal exposure outlined in HB 2246 could be devastating to rural hospitals, especially those not backed by a larger health system. Many of these hospitals are already struggling due to declining reimbursement rates and workforce shortages. Subjecting them to potential lawsuits over technical compliance issues only pushes them closer to closures, leaving entire communities without accessible healthcare.

Unnecessary Expansion of Government Bureaucracy

Rather than addressing a real problem, HB 2246 unnecessarily expands government intervention in healthcare. It adds another layer of state regulation to an already complex federal framework, diverting resources away from patient care and forcing hospitals to invest even more in compliance infrastructure. What is particularly concerning is that while this bill places additional requirements on hospitals, it does not impose similar oversight on insurance companies despite the fact that insurers control much of what patients actually pay for healthcare services. If the goal is to provide patients with clear cost expectations, the same scrutiny should be applied to insurers who set reimbursement rates and out-of-pocket costs.

Hospitals Are Already Meeting Transparency Goals

The intent behind HB 2246 is ensuring that patients have access to pricing information is already being met under existing federal law. At Stormont Vail Health, we provide pricing details online, educate patients on their financial responsibility before procedures, and offer personalized cost estimates



through our patient financial services team. Our internal tracking shows that patients rarely use large machine-readable pricing files but frequently reach out for tailored estimates, something we already provide.

Impact on Rural Hospitals in the Flint Hills Region

For rural hospitals like our facility in the Flint Hills, HB 2246 poses a direct threat. These hospitals operate with far fewer resources than urban medical centers, making compliance with additional, unnecessary regulations even more burdensome. Unlike larger hospitals, many rural facilities do not have dedicated compliance teams, meaning staff who should be focused on patient care would instead be diverted to regulatory paperwork. The financial penalties outlined in HB 2246 would have a disproportionate impact on these hospitals. A single lawsuit or government referral could be enough to destabilize a rural facility, forcing patients to travel even further for care. If lawmakers are truly committed to protecting rural healthcare access, they should be working to support these hospitals, not impose additional financial and regulatory barriers.

In conclusion, HB 2246 is unnecessary, duplicative, and harmful to Kansas hospitals-- particularly rural facilities that provide essential care to their communities. Hospitals are already meeting federal transparency requirements, and there is no evidence that additional state-level intervention is needed. Instead of adding costly and punitive measures, we urge lawmakers to focus on policies that strengthen hospitals and improve patient care. We respectfully ask the Committee to reject HB 2246 and instead work toward solutions that truly benefit Kansas patients without putting our hospitals at risk. Thank you for your time and consideration.

Sincerely,

Stacie Mason, MBA

Senior Vice President and Chief Financial Officer/Treasurer

