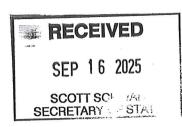
#### State of Kansas

# Department of Health and Environment Notice of Hearing on Proposed Administrative Regulation

The Kansas Department of Health and Environment (KDHE), Bureau of Community Health Systems, will conduct a public hearing at 10:00 a.m., December 1<sup>st</sup>, 2025, in the Azure Conference Room, Curtis State Office Building, 1000 SW Jackson Street, Topeka, Kansas, to review and consider the adoption of proposed amended regulation K.A.R. 28-53-3.

The time period between the publication of this notice and the scheduled public hearing constitutes a comment period of at least 60 days for the purpose of receiving written comments on the proposed regulation. This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed regulations. All interested parties may submit written comments prior to the public hearing to Amy Swanson, Kansas Department of Health and Environment, Bureau of Community Health Systems, 1000 SW Jackson Street, Suite 340, Topeka, KS 66612, by phone at 785-296-8113 or by email to <a href="may.s.swanson@ks.gov">Amy.s.swanson@ks.gov</a>. All interested parties will be given reasonable opportunity to present their views orally regarding the adoption of the proposed regulations during the public hearing. To provide all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation to five minutes. It is requested that each individual giving oral comments also provide a written copy of the comments for the record.

Any individual with a disability may request an accommodation in order to participate in the public hearing and may request the regulations and economic impact statements in an accessible format. Requests for accommodation to participate in the public hearing should be



made at least 10 business days in advance of the hearing by contacting the appointed agency contact using the contact information provided.

Copies of the proposed regulation and the economic impact statement can be requested by contacting the appointed agency contact at the contact information provided.

A summary of the proposed regulation and its estimated economic impact follows: Summary of Regulation:

K.A.R. 28-53-3. Eligibility criteria for a medically indigent person. The proposed amendment raises the income eligibility threshold for the Charitable Healthcare Provider Program from 200% to 300% of the Federal Poverty Level (FPL). This change brings Kansas more in line with neighboring states, some of which do not set income limits as long as care is provided free of charge. The adjustment is not expected to create any cost impact for businesses, individuals, or local governments.

#### **Economic Impact:**

The proposed regulation raises the income eligibility threshold for indigent care from 200% to 300% of the FPL to be covered within the Charitable Healthcare Provider Program.

This change aligns Kansas with neighboring states like Missouri and Nebraska, which do not impose any income cap for charitable care eligibility, only requiring that care be provided free of charge. Additionally, there are no similar federal programs specifically for healthcare providers offering tort claims indemnity to charitable healthcare providers, nor are there comparable programs in Oklahoma or Colorado. This increase in the threshold is not anticipated to have a cost impact on businesses, sectors, public utility ratepayers, individuals, or local governments.

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SCOTT SCHWAB SECRETARY OF STATE Janet Stanek Secretary Kansas Department of Health and Environment

28-53-3. Eligibility criteria for a medically indigent person. An individual shall qualify as a medically indigent person if a point of entry determines that the individual meets either of the following requirements:

(a) Is determined to be a member of a family unit earning at or below 200% 300% of the current federal poverty level and is not indemnified against costs arising from medical and dental care by a policy of accident and sickness insurance, an employee health benefits plan, or any similar coverage; or

(b) is eligible for publicly funded health care programs administered by the Kansas health policy authority or the department or is qualified for Indian health services. (Authorized by and implementing K.S.A. 75-6120; effective April 1, 1991; amended March 20, 2009; amended P-

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DEPT. OF ADMINISTRATION

ATTORNEY GENERAL

# **Kansas Administrative Regulations Economic Impact Statement (EIS)**

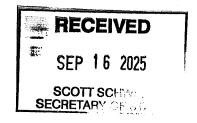
	epartment o	of Health and Environment	Nick Schneider	_	785-581-3680
Agency			Agency Contact	C	ontact Phone Number
28-53-3 K.A.R. Nun	aher(s)			⊠ Permanent	☐ Temporary
K.A.K. IVUII	ioci(s)				
		oposed rule(s) and regulation(s) r implementing a federally sub-			as a requirement
☐ Yes	If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.				
⊠ No	If no, do the total annual implementation and compliance costs for the proposed rule(s) and regulation(s), calculated from the effective date of the rule(s) and regulation(s), exceed \$1.0 million or more in implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governmental units and individuals as a result of the proposed rule and regulation over the initial five-year period following adoption of such rule(s) and regulation(s) (as calculated in Section III, F)?				
	□ Yes	If "Yes," then the agency shall and regulation(s) has been raturalle(s) and regulation(s) are: If for participating in or implement described in K.S.A. 77-416(b) and regulation(s) adopted purrules and regulations adopted Remediation Board). Continuthe regulation packet in the rethe Attorney General. The Division of the Budget for ap	ified by the Legislat ) mandated by the fe- nenting a federally a b)(1)(B), and amendar suant to K.S.A. 77-7 ed pursuant to K.S are to fill out the remark eview process to the submitted EIS will	ture with a bill, underal government subsidized or assiments thereto; 2) to 22, and amendments. A. 2-3710 (Karaining EIS form to Department of Adaptive statement of Adaptive st	less the proposed as a requirement sted program, as remporary rule(s) ents thereto; or 3) as Agricultural be included with dministration and
	⊠ No	If no, continue to fill out the packet submitted in the revies Attorney General. The submitted approval.	ew process to the De	partment of Admi	nistration and the

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#### Section I

Analysis, brief description, and cost and benefit quantification of the proposed rule(s) and regulation(s). If the approach chosen by the Kansas agency to address the policy issue is different from that utilized by agencies of contiguous states or of the federal government, the economic impact statement shall include an explanation of why the Kansas agency's rule and regulation differs.

The proposed regulation raises the income eligibility threshold for indigent care from 200% to 300% of the Federal Poverty Level (FPL) to be covered within the Charitable Healthcare Provider Program. This change aligns Kansas with neighboring states like Missouri and Nebraska, which do not impose any income cap for charitable care eligibility, only requiring that care be provided free of charge. Additionally, there are no similar federal programs specifically for healthcare providers offering tort claims indemnity to charitable healthcare providers, nor are there comparable programs in Oklahoma or Colorado. This increase in the threshold is not anticipated to have a cost impact on businesses, sectors, public utility ratepayers, individuals, or local governments.

#### **Section II**

Explain whether the proposed rule and regulation is mandated by federal law as a requirement for participating in or implementing a federally subsidized or assisted program and whether the proposed rules and regulations exceed the requirements of applicable federal law.

This regulation is not a Federal Requirement; however, this would match the Charitable Health Care Provider Program with Medicaid current poverty limits of 300% FPL.

#### **Section III**

Agency analysis specifically addressing the following:

A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

The proposed regulation is not anticipated to measurably enhance or restrict business activities.

Raising the income eligibility for indigent care from 200% to 300% of the FPL will enable charitable healthcare providers to extend care to a larger population, while allowing those providers to maintain coverage under the Kansas Tort Claims Act.

B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that will be affected by the proposed rule(s) and regulation(s) and on the state economy as a whole;

Raising the income eligibility for indigent care from 200% to 300% of the FPL is not anticipated to have an effect on businesses, sectors, public utility ratepayers, individuals, local governments, or on the state economy as a whole.

The cost of implementation and compliance of the proposed regulation on the above-listed entities is \$0.00.

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- C. Businesses that would be directly affected by the proposed rule(s) and regulation(s);
  Point of Entry Clinics and Independent Charitable Healthcare Providers would be directly affected by the proposed regulation.
- D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

The proposed increase in income eligibility for indigent care from 200% to 300% FPL offers significant benefits, including improved public health and greater access to medical services, with no additional anticipated cost.

While there is a potential for an increase in claims under the Kansas Torts Claims Act by broadening the scope of population covered, only one claim against charitable health care providers has been paid in the last 5 years under the Kansas Tort Claims Act. The amount paid was less than \$10,000.00.

E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

The agency is implementing the proposed rule change without additional administrative requirements, ensuring no significant cost or impact on businesses, local governments, and individuals in Kansas.

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F. An estimate of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governments, or individuals. *Note:* Do not account for any actual or estimated cost savings that may be realized. Implementation and compliance costs determined shall be those additional costs reasonably expected to be incurred and shall be separately identified for the affected businesses, local governmental units, and individuals.

Costs to Affected Businesses - \$0.00

Costs to Local Governmental Units - \$0.00

Costs to Individuals - \$0.00

Total Annual Costs - \$0.00

(sum of above amounts)

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

The estimated figure was reached by analyzing the text and nature of the proposed regulation, and assessing whether any impact on businesses, local governments, or individuals could be inferred.

The proposed regulation would simply increase the income threshold of patients that may be served by charitable healthcare providers while maintaining indemnity under the Kansas Tort Claims Act. The proposed regulation does not compel any business, local government, or individual to act or refrain from acting, nor does it require additional administrative tasks, assess fees, or burden the time or resources of any of the applicable entities in any way. Therefore, there are no costs reasonably expected to be incurred by or passed along to businesses, local governments, or individuals.

☐ Yes If the total implementation and compliance costs exceed \$1.0 million or more in implementation and compliance costs over the initial five-year period following adoption of such rule(s) and regulation(s) that are reasonably expected to be incurred by or passed along to businesses, local governmental units and individuals as a result of the proposed rule and regulation, did the agency hold a public hearing to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.

If applicable, click here to enter public hearing information.

Provide an estimate to any changes in aggregate state revenues and expenditures for the implementation of the proposed rule(s) and regulation(s), for both the current fiscal year and next fiscal year.

KDHE does not anticipate any changes in aggregate state revenues and expenditures for the current or next fiscal years as there has not been a significant history of Kansas Tort Claims Act claims against charitable healthcare providers. Kansas Tort Claims Act claims are paid out of a preallocated fund administered by Kansas Attorney General's Office pursuant to K.S.A. 75-6117. KDHE staff has met with staff at the Attorney General's Office and confirmed that raising the income threshold for indigent care from 200% to 300% FPL would not materially impact the

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solvency of the fund based on the amount of individuals that would be affected by the change, the amount of claims within the last five years, and the amount paid out of the fund for claims against charitable healthcare providers in the last five years. Specifically, there has only been one claim of this nature in the past five years, the amount paid on that claim was less than \$10,000.00, and census data indicates the proposed regulation would expand access to charitable care to less than 3% of total population.

Provide an estimate of any immediate or long-range economic impact of the proposed rule(s) and regulation(s) on any individual(s), small employers, and the general public. If no dollar estimate can be given for any individual(s), small employers, and the general public, give specific reasons why no estimate is possible.

There is no expected immediate or long-range economic implications from the proposed regulation change, and an exact dollar estimate is not possible due to the variability in individual healthcare needs and economic status.

If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school G. districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

> When the notice of hearing for these regulations is published in the Kansas Register, standard agency procedure will be followed, and stakeholder input and comment will be obtained.

Describe how the agency consulted and solicited information from businesses, business H. associations, local governmental units, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s) or may provide relevant information.

> The Primary Care Association of Kansas was informed by the CEO of a Point of Entry that clinics are unable to provide indigent care for individuals between 200-300% FPL under the Kansas Tort Claims Act. This is problematic as many providers' personal liability insurance does not include charitable care coverage. Two round table meetings were held on December 18, 2024 and January 15, 2025, with 15 total participants, as advertised through the State Office of Primary Care and Rural Health's newsletter subscription as well as promoted by Community Care Network of Kansas to get stakeholder feedback.

#### **Section IV**

Does the	Economic Impact Statement involve any environmental rule(s) and regulation(s)?
□ Vec	If yes, complete the remainder of Section IV.

If no, skip the remainder of Section IV. ⊠ No

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A. Describe the capital and annual costs of compliance with the proposed rule(s) and regulation(s), and the individuals or entities who would bear the costs.

Click here to enter agency response.

B. Describe the initial and annual costs of implementing and enforcing the proposed rule(s) and regulation(s), including the estimated amount of paperwork, and the state agencies, other governmental agencies, or other individuals who will bear the costs.

Click here to enter agency response.

C. Describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, the individuals or entities who will bear the costs and who will be affected by the failure to adopt the rule(s) and regulation(s).

Click here to enter agency response.

D. Provide a detailed statement of the data and methodology used in estimating the costs used.

Click here to enter agency response.

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