

**Verbal Proponent Testimony on Senate Bill 271
Senate Committee on Public Health and Welfare
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Kansas Department of Health and Environment
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Chairwoman Gossage and Members of the Senate Committee on Public Health and Welfare:

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 271.

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

To address this issue, Senate Bill 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 FPL. 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 FPL.

Section 1(b)(7) of Senate Bill 271 proposes to remove the outdated language from K.S.A. 38-2001 to align the CHIP income limit with the current FPL for this and each successive year.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 FPL. Without SB 271, the upper limit for CHIP would be around 188% percent of the current FPL. For a family of three, the income limit would then be \$4,281 a month; income higher than the limit would render the family ineligible for CHIP. Under SB 271, the monthly limit for a family of three would be \$5,806, which is 250% of the current FPL and would account for the present economy.

To compare Kansas to other states' CHIP programs, most states do not have a tie back to a specific year's FPL threshold in their statute since FPLs are updated annually by CMS. In addition, CHIP programs can go up to 400% of poverty so there are states that are higher than Kansas, such as Colorado with 260%, to Missouri with 300%. Some states are lower, from Idaho at 185% to Georgia with 247%, and several states, including Tennessee, Louisiana, and Indiana, set the CHIP FPL threshold at 250%. CMS has a [chart](#) that outlines each state's CHIP FPL threshold.

Section 1(b)(8) and Section 1(e) of SB 271 align the statute with current State and federal policy. Section 1(b)(8) removes an outdated waiting period provision that became unenforceable after the passage of the Affordable Care Act in 2010, which will help eliminate confusion regarding state CHIP eligibility requirements. Similarly, 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.

In summary, KDHE-DHCF supports SB 271 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 FPL as well as remove obsolete, unenforceable CHIP eligibility requirements from the statute.

Thank you for the opportunity to provide this testimony.