

# Annual Impact of KanCare Expansion

Beginning in 2016



ACA Hospital Reductions\*

KanCare Expansion (KDHE Estimate)\*

**Net Gain/Loss**

Uncompensated Care

## Hospital Impact

### Kansas

	<u>Without Expansion</u>	<u>With Expansion</u>
ACA Hospital Reductions*	\$ (124,476,760)	\$ (124,476,760)
KanCare Expansion (KDHE Estimate)*	\$ -	\$ 362,239,834
<b>Net Gain/Loss</b>	<b>\$ (124,476,760)</b>	<b>\$ 237,763,074</b>
Uncompensated Care	\$1,236,440,751	\$824,293,834

## Non Health Care Impact

### Kansas

	<u>Without Expansion</u>	<u>With Expansion</u>
ACA Hospital Reductions*	\$ (71,179,316)	\$ (71,179,316)
KanCare Expansion (KDHE Estimate)*	\$ -	\$ 207,138,935
<b>Net Gain/Loss</b>	<b>\$ (71,179,316)</b>	<b>\$ 135,959,619</b>

\* 10-Year Average

### Explanation of Data

**ACA Cuts:** This number reflects the HANYS 10-year estimated impact of the ACA reductions, divided by 10 for an average annual impact.

**KanCare Expansion:** This number is based on expansion estimated provided by the Kansas Department of Health and Environment in April of 2015.

**Uncompensated Care (without expansion):** This number reflects the annual charity care and bad debt costs as reported by this hospital in the 2013 AHA annual survey. Charity care is defined as care for which the hospital never expected to be reimbursed. Bad debt is incurred when a hospital cannot obtain reimbursement for care provided because patients either are unable to pay their bills and do not apply for charity care or are simply unwilling to pay their bills.

**Uncompensated Care (with expansion):** This number reflects a reduction of a third of the uncompensated care reported by this hospital in the 2013 AHA annual survey. The uncompensated care amount with expansion was calculated based on the Colorado Hospital Association study dated September 2014 which found that, while all states saw a reduction in uncompensated care with the implementation of the ACA, on average, expansion states had a reduction of 52 percent in uncompensated care while non-expansion states saw only a 15 percent reduction. Expansion alone results in a one-third reduction in uncompensated care.