



KHA's Capitol Comments

Nov. 18, 2025

Health Care Stabilization Fund Oversight Committee Meets

Today, the Health Care Stabilization Fund Oversight Committee, chaired by former Representative Marvin Kleebe, received testimony from the Kansas Legislative Research Department on recent legislation. The committee reviewed an actuarial report highlighting underpayments from hospitals to the fund and noted that to address the shortfall, the surcharge will increase by 9.8 percent on Jan. 1, 2026, rising from 19.3 percent to 29.1 percent. The committee also discussed the goal of gradually adjusting classes to the rate actuarially necessary.

The committee heard from Steve Lehwald, general counsel, who presented a fiscal year 2025 claims report, noting that 68 cases were settled and 236 new cases were filed during the year, a decrease of 50 from the previous year. The committee also observed that primary or excess insurance carriers are increasing compared to payouts from the Health Care Stabilization Fund.

Clark Shultz, executive director of the Kansas Health Care Stabilization Fund, appeared before the committee to provide history and updates, including:

- A bill likely to be introduced before the legislature would allow the Board of Governors to pursue more investments for better returns without specifying which investments are required. Amendments to Chapter 40, Article 2a, would grant the board greater authority over the types of investments it can make. Representative Henry Helgeson (D-Wichita) noted he is working on it and suggested it will probably go through the House Appropriations Committee for introduction, after which the House Health and Human Services Committee will be prepared to address the issue.
- The current fund balance.
- The availability plan and recent meeting highlights.
- Basic coverage levels.

The committee received updates on the status of the Medical Malpractice Insurance Market, the Health Care Provider Insurance Availability Plan and comments from health care providers and interested parties.

Testimony came from the following conferees:

- Kurt Scott, president and chief executive officer at KAMMCO, highlighted APRNs are not required to be part of the Kansas Health Care Stabilization Fund. He suggested an expanded scope of practice creates changes to the risk environment. He shared with the committee information from a study showing that claims frequency and severity are now similar to those of physicians. He highlighted a bill introduced last year that encourages the legislature to consider it.
- Tucker Poling, vice president of claims and general counsel at KAMMCO, discussed a current court case testing the cap on non-economic damages and wrongful death damages, *Yates v. AdventHealth*. A patient arrived at the emergency room with her husband, who identified her as a suicide risk. An APRN employed by an emergency services company saw her, and she was also seen by a counselor and discharged. Three days later, she committed suicide. The verdict was \$5.7 million, which exceeded the cap. While the courts applied the wrongful death cap, it didn't apply to the general personal injury cap. The appeal may go before the appellate courts in Kansas. The hospital was held liable for the APRN, even though the hospital didn't directly employ her. He clarified this is not a KAMMCO case, but we may know in mid-January if it will proceed.
- Rachelle Colombo, executive director of the Kansas Medical Society, shared testimony on behalf of KMS and the Kansas Hospital Association, providing a history of the Kansas Health Care Stabilization Fund and discussing the importance of the oversight committee. She encouraged the committee to remember that when the legislature addresses scope of practice issues, they should include considerations related to the Kansas Health Care Stabilization Fund. Colombo emphasized the importance of the protections for patients offered through participation in the Kansas Health Care Stabilization Fund.
- Written testimony was provided by Douglas Smith, executive director of the Kansas Academy of Physician Associates and Jill Denton, executive director of the Kansas Trial Lawyers Association.

The committee concluded its meeting with the following recommendations:

- APRNs should become part of the Kansas Health Care Stabilization Fund.
- Legislation should be supported to allow the committee to adopt more flexible investment procedures.
- Renewal of the oversight committee, with no need to appoint another actuary.