



KHA's Current Report
June 27, 2025

The Impact of Commercial Payers on Health Care Sustainability in Kansas

This year, the Kansas Hospital Association has been working broadly to tell the hospital finance story with a financial awareness campaign. KHA started these efforts with our annual campaign around [economic impact](#), followed by our updated [financial infographic](#) highlighting Kansas hospitals' overall financial challenges. We then launched a one page infographic on [Medicaid](#), then a one page infographic on [Medicare](#) followed by an infographic on [Commercial Payers](#).

As part of this campaign, we released an in-depth study conducted by one of the top-ranked CPA firms in the nation, PYA, that evaluates the financial health of Kansas hospitals, the financial strength of private payers and hospitals' financial challenges as compared to neighboring states.

The study, [Financially Distressed Hospitals – Impact of Commercial Payers](#), evaluated the financial health of Kansas hospitals, included 46 Prospective Payment System hospitals and 78 Critical Access Hospitals. The study focused on patient services revenue and the overall financial position of these facilities, using Medicare Cost Reports from 2019 to 2022 as the primary data source. Each hospital was assigned a risk score ranging from limited risk to higher risk. In addition, PYA assessed the financial strength of key health insurers in the market to understand how they compared with hospital providers during this period. PYA also evaluated the impact of increased commercial reimbursements to understand what level of rate increases would move hospitals from financial distress to sustainability. An [executive summary](#) of the study also is available.

The study, a June [media release](#), pointed out that historically, reimbursement from commercial payers has helped offset losses from services provided to Medicaid and other underfunded/uninsured patients. With more than half of Kansas hospitals operating at a loss, the question arises: from where will the funds needed to maintain access to health care come from?

Kansas has the highest number of rural hospitals at risk, according to the March 2025 report from the Center for Healthcare Quality and Payment Reform, *Rural Hospitals at Risk of Closing*. CHQPR identified one of the primary drivers of this crisis is that private insurance plans are paying at-risk hospitals less than the actual cost of delivering services to patients. The results of the PYA study help Kansans better understand the overall financial challenges facing Kansas hospitals and possible solutions.

The PYA study showed most Kansas hospitals are losing money on patient services. In FY 2022, the median operating margin for Kansas hospitals was -12.7% (PPS hospitals were -7%, CAHs were -19%), with most hospitals losing money on patient services. PYA also evaluated hospitals in neighboring states and found that Kansas had the lowest median operating margin compared to Nebraska and Oklahoma. Another key finding of the PYA study showed Kansas hospitals had low financial reserves. The hospitals at greatest financial risk were burdened with more debt than net assets (equity). In FY 2022, more than one-third of Kansas hospitals were in this position.

The PYA study noted Kansas ranks 49th in the nation for having one of the lowest average annual family premiums per enrolled employee (for employer-based health insurance in 2022); however, the Kansas Hospital Association payer scorecard shows patients in Kansas pay more out-of-pocket on patient bills than most other states. Kansas ranks the second worst on patient responsibility dollars. Patients are responsible for paying on average 18% of the health care bill in Kansas.

PYA's analysis underscores the severe financial challenges facing hospitals and that without additional funding, many hospitals will continue to operate at a loss, threatening their ability to provide essential health care services, maintain infrastructure and support necessary staffing levels. By aligning hospital funding more closely with the actual costs of care, whether through commercial reimbursement or other sources, Kansas hospitals can move from financial distress to sustainability, ensuring they continue to serve their communities.

Please let us know if you have any questions or need any support with media calls. Additional resources for members can be found in our [Financial Awareness Campaign Box.com folder](#).

--Chad Austin

Congratulations to our Heart of Health Care Nominees

The Heart of Health Care Award recognizes and honors the excellence of health care workers statewide. We are excited that 29 hospitals nominated individuals for this recognition. This year's nominees serve their hospitals and communities in a variety of ways from clinical care to IT security to ensuring the safe and smooth running of daily operations. [Learn more about the accomplishments of these nominees online](#). We tip our hat to these individuals and their outstanding contributions. Congratulations to the following nominees:

- Kristin Baker, Ultrasound Technologist, Coffey County Hospital, Burlington
- Ashley Behymer, Physical Therapist/Rehab Services Manager, Smith County Memorial Hospital, Smith Center
- Brenda Blankenship, Family Birth Suites Manager, Pratt Regional Medical Center, Pratt
- Michelle Bohannon, Director of Quality/Risk/Compliance and Interim Director of Nursing, Wilson Medical Center, Neodesha
- Stacia Brown, Manager Physician Practice Operations, Wamego Health Center, Wamego

- Jennifer Carney, Manager of Patient Access for Via Christi Outpatient Therapy Centers, Ascension Via Christi Rehabilitation Hospital, Wichita
- Loree Cordova, MD, Medical Director, AdventHealth Medical Group, Lawrence
- Cassie Crocker, Laboratory Manager, SCK Health, Arkansas City
- Brittney Engel, Charge Nurse, Stormont Vail Flint Hills Campus, Junction City
- Tammy Field, Director of Radiology, McPherson Center for Health, McPherson
- Rebecca Finke, Nurse Program Manager-Forensic Nursing, AdventHealth Shawnee Mission, Shawnee Mission
- Amanda Gaines, Perioperative Nurse Liaison, The University of Kansas Health System, Kansas City
- Janelle Gasper, Insurance/Collections Clerk, Mitchell County Hospital Health Systems, Beloit
- Dwight Hawkins, Environmental Services Manager, AdventHealth South Overland Park, Overland Park
- Susan Newell, Clinic Manager/Risk Manager, Jewell County Hospital, Mankato
- Nathan Norman, Information Systems Specialist, Greenwood County Hospital, Eureka
- Kevin Oehme, Pharmacy Manager, Ascension Via Christi Hospital Manhattan, Manhattan
- Alicia Oien, Interim CNO, Clinical Informatics, Decatur Health, Oberlin
- Jamie Phipps, Outreach Clinic Director, Medicine Lodge Memorial Hospital, Medicine Lodge
- Jose Renteria, APRN, ER Provider, Phillips County Health Systems, Phillipsburg
- Cheryl Rickers, Patient Financial Services, Artesian Valley Health System, Meade
- Joilene Sandoval, A/R Denial Management Specialist, Newman Regional Health, Emporia
- Janie Schmidt, Hospital Director of Nursing, Greeley County Health Services, Tribune
- William Scott, Maintenance Supervisor, NMC Health, Newton
- Mike Stallbaumer, Facility Manager, Nemaha Valley Community Hospital, Seneca
- Robin Stapleton, Trauma Coordinator, Surgery RN, Sabetha Community Hospital, Sabetha
- Angela Taylor, Nurse Manager, Infection Preventionist and Nurse Educator, Rice Community Health, Lyons
- Jolene Wessel, Registered Nurse, Community HealthCare System, Onaga
- Christi Zimmerman, Director of Patient Care Services, Saint Luke's South Hospital, Overland Park

Be sure to offer your kudos to the nominees as we highlight their impact and accomplishments on our Facebook and LinkedIn channels over the summer. On Friday, Sept. 5, 2025, all nominees will be recognized at the Awards Luncheon at the KHA Annual Convention and Trade Show in Wichita, Kansas.

Show your Rock Chalk Pride in Support of the KHA-PAC

Rock Chalk Jayhawk! It's time to show your KU pride and support the KHA-PAC in style! Last year, Wildcat fans toured Bill Snyder Family Stadium and raised more than \$900 for the KHA-PAC. Now KU fans have a turn to step up and show them how it's done!

Join us at 3:00 p.m. on July 31, for an exclusive behind-the-scenes tour of Allen Fieldhouse, the holy ground of Jayhawk basketball. After the tour, keep the fun going with drinks, food and camaraderie at Fields and Ivy Brewery. Tickets are on sale now. Buy a ticket for yourself or bring a friend! [Individual tickets](#) are just \$100 or get a [pair of tickets](#) for just \$175.

Show the Wildcats that Jayhawks don't back down from a challenge, especially when it's for a great cause like supporting the KHA-PAC. Join the fun. Support the PAC. And Rock Chalk all the way! Get your tickets today!

--Tara Mays

Education and Training Guide for Regulatory Compliance

Keeping up with regulatory expectations around staff education and training can be challenging. The Kansas Hospital Association has worked with our partners at the Missouri Hospital Association to develop the [CAH Hospital Required Orientation and Ongoing Education and Training](#) guide and the [PPS Hospital Required Orientation and Ongoing Education and Training](#) guide. Each guide can be used to plan and maintain staff training as directed by the Centers for Medicare and Medicaid Services, Occupational Health and Safety Administration, the Kansas Department of Health and Environment, the Kansas Department of Aging and Disability Services, as well as other accrediting organizations. Regulations and the interpretive guidelines can change, so we will keep the guides updated on the [Regulatory](#) page of the KHA website.

--Larry Van Der Wege

Noon Briefing: Modernized Scheduling for VA Community Care Appointments

Join us for a Noon Briefing on Tuesday, July 8, where KHA will explore how the Department of Veterans Affairs' new External Provider Scheduling program is transforming community care coordination. This session will highlight how EPS allows VA schedulers to book directly into provider calendars using secure, cloud-based technology, eliminating the need for multiple calls, faxes and follow-ups. Learn how EPS integrates with more than 150 EHR and scheduling systems, keeps patient data secure and offers a no-cost, no-hassle experience for providers.



-- Hayley Finch-Genschorck

QHi Back to Basics Training Session - July 17

The next [QHi Back to Basics Training](#) session is at 1:00 p.m. on Thursday, July 17. After a brief program update, participants will walk through the basics of selecting measures, adding users, entering/uploading data and running/scheduling customized reports.

Click to
Register

--Sally Othmer

KHA HIDI Advantage Optics Update

[Advantage Optics](#), the online reporting tool accessed from the [HIDI Advantage User Portal](#) is where your KHA hospital level data resides. This week, the site was updated with the April 2025 data and now contains October 2019 – April 2025 inpatient, outpatient and emergency department discharges. This includes Executive Snapshot Dashboards, located under Market Optics.

As a reminder, HIDI recently launched the HIDI Academy. This new service is designed to enhance the learning experience for users by providing access to HIDI-specific Market Optics training modules and resources through a user-friendly interface.

For assistance with access to Advantage Optics or the HIDI Academy, please contact [Dee Lewis](#) or [Sally Othmer](#) at (785) 233-7436.

--Sally Othmer

Apply for AHA's 2026 Circle of Life Award

Are you or your hospital an innovator in palliative and end-of-life care? Apply now for one of health care's highest honors: the 2026 Circle of Life Award. The award celebrates effective, equitable and patient-centered care. Share your story and inspire the field. Learn more: <https://www.aha.org/about/awards/circle-life>. The application deadline is Tuesday, July 15, 2025.