

# MEDICAID CUTS & KANSAS

## How Senate bill would impact funding for KanCare

JULY 2, 2025

The U.S. Senate recently passed its version of the “One Big Beautiful Bill Act.” This bill would cut more than \$1 trillion from Medicaid and \$300 billion from the Supplemental Nutrition Assistance Program (SNAP), thereby removing health care and food assistance from millions of hard-working Americans. It would impact children, seniors and people with disabilities, making it harder to receive health care and to put food on the table.

After 27 hours of debate during the Senate’s “vote-a-rama,” the Senate passed Republicans’ budget reconciliation bill, H.R.1, by a vote of 51 to 50. The final text, released as a substitute amendment just before Senate passage, now heads to the House of Representatives, where Republicans will work to pass the bill and send the language to the president’s desk before July 4.

To better understand the impact on access to health care, the Kansas-based philanthropies United Methodist Health Ministry Fund and REACH Healthcare Foundation partnered with Manatt Health to model the impact this bill would have on Kansas’ Medicaid system over the next 10 years.

Using its Medicaid Financing model, Manatt has prepared updated estimates on Senate-passed H.R.1. Of note, these estimates are understated. Manatt’s Medicaid Financing model estimates state impacts based on most of the key Medicaid provisions included in budget reconciliation language, including the impact of work requirements, six-month renewals, new restrictions on provider taxes and State Directed Payments (SDPs) for hospitals, and repeal of certain Medicaid eligibility simplifications. Manatt’s estimates do not reflect the impact of changes to provider taxes and SDPs for providers other than hospitals, nor do they address changes to standards designed to ensure that provider taxes are “generally redistributive.”

Coverage losses due to changes in the federal Health Insurance Marketplace also couldn’t be modeled; however, they will result in additional coverage losses in Kansas and nationally.

The Senate did include a \$50 billion rural hospital relief fund as part of its approved bill, which would provide about \$811 million in funds to Kansas hospitals to help offset losses. However, that would not cover the complete funding gap created by the bill.

### IMPACT ON KANSAS

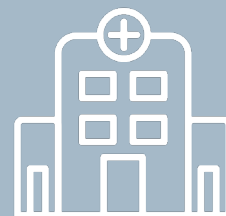

**\$3.897 BILLION**

 IN REDUCED MEDICAID  
FUNDING OVER 10 YEARS

**\$2.65 BILLION**

 IN REDUCED MEDICAID  
FUNDING FOR HOSPITALS  
OVER 10 YEARS

**13,000**

 KANSANS  
PREVENTED  
FROM ENROLLING  
IN MEDICAID;  
THOUSANDS  
MORE TO LOSE  
MARKETPLACE  
COVERAGE

**\$811 MILLION**

 IN FUNDS FROM THE  
PROPOSED RURAL  
HOSPITAL RELIEF  
FUND TO HELP OFFSET  
LOSSES

Federal	State	TOTAL	Federal	State	TOTAL
-\$2.364 B	-\$1.533 B	<b>-\$3.897 B</b>	-\$1.608 B	-\$1.042 B	<b>-\$2.650 B</b>

### RURAL KANSAS BY THE NUMBERS

**32%**

 OF RURAL CHILDREN  
ENROLLED IN  
MEDICAID

**11%**

 OF RURAL ADULTS  
ENROLLED IN  
MEDICAID

**12%**

 OF RURAL SENIORS  
ENROLLED IN  
MEDICAID

**26**

 RURAL HOSPITALS  
AT IMMEDIATE RISK  
OF CLOSURE

**63**

 RURAL HOSPITALS  
AT RISK OF CLOSURE