

Written Testimony on:

***SB 309 – Establishing fees on Insurance Policies Sold in
the Federal Marketplace***

Presented to:

Senate Ways and Means

By:

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May 21, 2015

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Good afternoon, Chairman Masterson and members of the Senate Ways and Means Committee. The Kansas Association for the Medically Underserved, commonly known as KAMU, appreciates the opportunity to present written testimony in strong opposition to SB 309.

KAMU has been the Primary Care Association of Kansas for 24 years. As the Primary Care Association, KAMU represents 43 safety net clinics that all share the same mission of providing health care services without regard for the patients' ability to pay. These clinics have a unique approach to health care that leads efforts to transform care, improve health, and generate significant economic returns. KAMU and our members believe Kansas should be a state where all individuals have access to comprehensive, affordable and quality health care. Our 43 safety net clinics have 41 satellite sites, where 252,000 Kansans access health care in these 84 locations.

The Affordable Care Act has undeniably been one of the most politically charged pieces of legislation to be passed in the last decade and longer. Regardless of whether Kansas legislators are supportive or opposed to this, we know that Kansans are benefitting. In fact, almost 100,000 Kansans now have health insurance by selecting a qualified health plan through the federal marketplace.

Insurance isn't cheap. Until the ACA was passed, if employer-sponsored insurance wasn't an option, many people couldn't afford to pay for it themselves. Through the federal marketplace, Kansans were able to find affordable plans, and those with limited income received tax credits and subsidies to help pay for the plan. For some, this was the first time in their life they had health insurance. As a result, they are not faced with difficult choices of whether they will go to the doctor or get their prescriptions filled instead of buying groceries or paying utility bills.

On a daily basis, safety net clinics see the difference in health outcomes between people with insurance and those without. Even with the ACA, about 50% of their patients are uninsured. Those without typically haven't had routine health care over the years, or even at all. They come to the clinic sicker, often facing uncontrolled chronic diseases like diabetes, high blood pressure, and heart disease. This means that more resources are needed to help uninsured patients regain their health. Undoubtedly, those with insurance are also at risk and may even have some of the same chronic diseases. Yet, having insurance has allowed them to receive preventive care that can delay or prevent development of the disease. If they get the disease, they are typically diagnosed earlier, receive regular medical care, and learn self-management skills. While we use chronic disease as an illustration, the same can be said for infectious diseases, accidents, and other causes of disease and disability.

SB 309 will strip away the opportunity given to hard-working Kansans to be able to afford insurance by increasing the cost of insurance and making it less affordable. Ultimately, the annual fee proposed in the bill will not be paid for by the insurance companies. This increase will get passed down to the policy holders through increased premiums. While 3.5% may not seem like a lot, it could mean the difference between buying weekly groceries or paying the water bill. Being forced to make those choices again could inevitably force many Kansans to drop their insurance policy.

KAMU and our member clinics ask that you strongly consider the consequences of SB 309 and how the health of Kansans will be impacted. We oppose this bill and ask that you do not let this bill pass out of committee.

Thank you

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