

Date: March 6 2019

To: House Insurance Committee

Representative Jene Vickrey, Chair

From: Mr. John Buttenhoff, In support of SB 32

Re: SB32 Kansas Farm Bureau Health Plans

Good afternoon Mr. Chairman and members of the committee. I am John Buttenhoff from Lincoln Kansas. I live on our family's homestead property with my wife Ginny and our 4 children, Tenley 8, Hailey 7, August 5, and our youngest Emma who is 3 going on 13. My wife and I got married in January 2009 and returned to the farm full time in May of that year after I graduated college. I am the 4th generation Buttenhoff to farm. I farm with my mom and dad, Ron and Jo Buttenhoff, and my nephew, Austin. We have a mostly no-till diversified cropping system that includes wheat, milo, corn, soybeans and oats. Ginny and I have our own red Angus cow calf operation that we also manage; it consists of 40 momma cows.

When I returned to the farm I was 23 and was just married so we had to determine an insurance plan that would suit the needs of a couple wanting to start a family. After looking over a few options we settled on a plan that had my parents as the employer and me as the employee. When the ACA came along we were able to keep that plan, it was grandfathered and has proved to be good coverage. We had all 4 kids and didn't have to pay too much out of pocket. We have remained on that plan and will still carry it for at least another year and a half at which point a decision will have to be made.

Ginny and I have been involved in Farm Bureau for as long as we have been married, participating in numerous activities and events, most notably the Young Farmers and Ranchers program. Two years ago we joined the state Young Farmers and Ranchers committee and a year ago I was able to sit in with the state board, representing young farmers and ranchers. Over the last few years at our conferences and events affordable health care coverage has been a main topic, and I always heard "Can Farm Bureau do anything about it?" Like I said we have had good coverage but our premiums have been on the rise like everyone's. In the last year alone we were paying around \$1250/month for our premiums and had a \$3000 deductible. That figures out to about 26% of our net income.

With the farm economy taking a 66% decline in annual income over the last 3 years, a cost that was high but workable has now become a cost that is unaffordable and frankly makes you think about other options. I feel that even with 4 young children, maybe even putting \$17000 in a savings account would be better than paying it to a place that you may never see it again. My Father went on Medicare last year and his premiums are now half of what they were on the group plan, my mom will be on Medicare next August and it is a possibility that if both go off our plan we may lose it. If that happens, we will need to get coverage on our own and I am confident it will raise our premiums even farther out of reach.

Being part of the Young Farmers and Ranchers committee, I was amazed at how many of the committee members have a spouse who has to have a job off the farm that allows for them to get health care coverage that is included with the job, or else they need the job for the extra income just to afford their current coverage. My wife loves being a part of the farm and she is blessed to be a stay at home mom. She loves the time with the kids and I enjoy having her around the farm for her invaluable help, and her great cooking!! I fear that if the cost of health care continues to rise and commodities don't make a drastic turnaround, one of us will have to find employment elsewhere and we may need to arrange day

care for the kids. Just so we can cover the cost of our health insurance. **It will be hard for it to feel like the family farm when half the family must leave the farm just to get health insurance!**

I was so excited a year ago when I got the opportunity to chair the State Young Farmers and Ranchers committee and was able to join the Kansas Farm Bureau board for their meetings. When I learned of the plan they were discussing and saw how it could help younger self-employed farmers I was eager to do all I could to help. It is a great pleasure to be able to see this plan from its beginning as just an idea and to see it grow into a plan that has brought many farmers from across the state right here to the capital to stand up for what they believe will be a better and more affordable option for health care coverage. I was here two weeks ago to give support on the senate side, and I was so grateful for the opportunity to again come and share my story and ask for your support of SB 32. Thank you for your time.

John Buttenhoff

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