

Sara Prem
Advocacy Specialist
Kansas & Greater Kansas City

March 6, 2019

The Honorable Jene Vickrey
Chair – Insurance Committee
Kansas House of Representatives
Topeka, KS 66612

Dear Chairperson Vickrey:

The American Lung Association is the oldest voluntary health organization in the United States. For more than 110 years, the Lung Association has been working to save lives by improving lung health and preventing lung disease through education, advocacy and research. The Lung Association works on behalf of the 35 million Americans living with lung diseases, including over 343,000 patients in Kansas.

We recognize that affordable healthcare is not a reality for many Kansas residents and we support efforts to develop smart solutions to these problems. However, Farm Bureau plans do not provide the coverage that Kansans, including farmers, need. We urge you to oppose SB 32 “Non Insurance Healthcare Benefits,” as it does not offer the healthcare coverage Kansas residents’ truly need.

Farm Bureau plans are not regulated and do not have to follow the rules that other health insurance plans do, including covering the 10 essential health benefits and covering people with pre-existing conditions. For example, marketplace health insurance plans must cover the 10 essential health benefits, which include preventive services and prescription drugs. Plans not covering these key services would mean patients pay high costs for their treatment, potentially forcing patients to skip important medications or treatments.

Farm Bureau plans choosing not to cover pre-existing conditions could result in patients with chronic lung conditions such as asthma, COPD and lung cancer not being able to get this coverage. Alternatively, these unregulated plans could choose to cover patients with pre-existing conditions but charge those patients a higher premium and not cover treatment for their pre-existing condition, discriminating against patients.

Our organization also is concerned that access to Farm Bureau health plans would fragment the market for health insurance driving up costs for marketplace insurance plans and eventually translating into higher premiums for patients. Because of the discrimination against patients with pre-existing conditions and the potential of less generous health coverage in farm bureau plans, these plans would likely attract younger and healthier patients. As a result, marketplace health plans would take on a larger share of patients who are older and have more complex health needs.

We believe that there are more sustainable ways to expand health coverage that will help Kansas residents currently struggling to afford healthcare coverage, while maintaining access to care that is both affordable and comprehensive.

1) Medicaid expansion in Kansas would extend Medicaid coverage to adults earning up to 138 percent of the federal poverty line or just under \$30,000/year for a family of three closing a gap in coverage for adults who are not currently eligible for Medicaid but cannot afford to purchase other types of health coverage.

Please remember the American Lung Association in your will or trust.

2) Kansas also could implement a reinsurance program, which protect insurance companies in the case that healthcare costs are higher than expected. Reinsurance prevent insurance companies from passing along high health costs to patients in the form of higher premiums. In other states, reinsurance programs have resulted in lower marketplace premiums.

The American Lung Association of Kansas and Greater Kansas City calls on you to reject SB 32 and work together to implement solutions that work for all Kansans including farmers and their families. We thank you for your consideration and hope we can work together to ensure that all Kansans have access to affordable, high-quality healthcare.

Sincerely,

Sara Prem
Advocacy Specialist
American Lung Association, Kansas & Greater Kansas City

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