



**National
Multiple Sclerosis
Society**

January 17, 2020

Representative Jene Vickrey, Chair
House Committee on Insurance
Re: HB 2053

Chair Vickrey and Committee Members:

I am writing on behalf of the National Multiple Sclerosis (MS) Society regarding our opposition to HB 2053, which expands short-term, limited-duration (STLD) health plans. Access to high-quality, comprehensive health care coverage is critical for Kansans living with chronic health conditions such as MS. Kansans need access to affordable, adequate health insurance so they can treat and manage their conditions.

Multiple sclerosis (MS) is an unpredictable, often disabling disease of the central nervous system that disrupts the flow of information within the brain, and between the brain and the body. Symptoms range from numbness and tingling to blindness and paralysis. The progress, severity and specific symptoms of MS in any one person cannot yet be predicted, but advances in research and treatment are leading to better understanding and moving us closer to a world free of MS. Managing MS symptoms often require physician- or specialist-prescribed medications known as disease modifying therapies (DMTs). The initiation of treatment with an FDA-approved DMT is recommended as soon as possible following a diagnosis of MS and continued adherence to medication is a key element of treatment effectiveness. Unfortunately, the cost of living with MS is prohibitive without adequate coverage. The average cost of living with MS per person, per year is upwards of \$70,000 and the average wholesale cost of brand DMTs in 2019 was over \$88,000.

Short-term, limited-duration plans discriminate against people with pre-existing conditions; these policies are permitted to take into account an individual's pre-existing condition or health status when issuing health insurance coverage. This means that an STLD policy issuer can choose to deny coverage, charge higher premiums, or choose not to cover certain benefits for individuals based on their health history. Even for those who do qualify for the plans, these policies do not offer comprehensive coverage. Unlike ACA-compliant plans, STLD policies do not have to provide coverage for Essential Health Benefits (EHBs). While this bill outlines requirements for disclosures to that effect, a recent report released by the National Association of Insurance Commissioners (NAIC) and Kleimann Communications



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summarized consumer testing of STLD plans and it showed that these disclosures, in large part, go unnoticed and that the consumers of these plans do not understand the limitations their plans have. In addition, short-term, limited-duration plans are free to impose lifetime limits on coverage, meaning that patients may end up facing extremely high out-of-pocket costs.

Apart from the inadequate coverage that STLD plans provide, they also lead to increased premiums for plans offering comprehensive coverage. These plans attract younger and healthier individuals, leaving older and sicker individuals alone in the risk pool for ACA-compliant plans. This results in increased premiums for people who need comprehensive coverage the most. These premium increases will be particularly significant for Kansans with pre-existing conditions, such as MS, who need comprehensive coverage and who, without it, cannot afford the care they need to continue to live independently. In addition, should someone's plan conclude, the lapse in coverage is not considered a qualifying event for the purpose of an individual obtaining access to the marketplace because these plans are not considered minimum essential coverage. This can lead to gaps in coverage for anyone who has signed up for an STLD plan.

Any increase in the length of short-term, limited-duration plans or the ability to renew these plans puts at risk the health and welfare of Kansans everywhere. We must provide adequate coverage for all in order to guarantee a more prosperous Kansas. Thank you for your consideration and we ask that you reject HB 2053.

Sincerely,

Laura Hoch

Laura Hoch
Senior Advocacy Manager,
National MS Society