Larrie Ann Brown, Attorney at Law
800 SW 8th Street, Suite 808
Topeka, KS. 66612
larrieannbrown@gmail.com
785-640-2747
Written Testimony on behalf of Cigna
In Opposition to HB 2459 to the House Insurance Committee

Thank you Mr. Chairman and members of the committee. On behalf of Cigna, I appreciate the opportunity to submit written comments in opposition to HB 2459.

Cigna Corporation is a global health service company dedicated to improving the health, well-being and peace of mind of those we serve. Cigna delivers choice, predictability, affordability and access to quality care through integrated capabilities and connected, personalized solutions that advance whole person health. All products and services are provided exclusively by or through operating subsidiaries of Cigna Corporation, including Cigna Health and Life Insurance Company, Cigna Life Insurance Company of New York, Connecticut General Life Insurance Company, Express Scripts companies or their affiliates, and Life Insurance Company of North America. Such products and services include an integrated suite of health services, such as medical, dental, behavioral health, pharmacy, vision, supplemental benefits, and other related products including group life, accident and disability insurance. Cigna maintains sales capability in over 30 countries and jurisdictions, and has more than 165 million customer relationships throughout the world.

HB 2459 mandates substantial increased coverage for mental health and substance abuse treatment. The bill clearly requires that coverage be available without the ability to use prior authorization, or any other type of utilization review. Our concern is these additional benefits will result in increased costs to our current and future customers in the individual market. As you may have heard Cigna was excited to announce our entrance into the individual market and exchange market effective 1-1-20. This legislation expands existing mandates and will potentially add more financial instability to an already limited and fragile market. In addition, the cost of the mandate on the subsidized individuals in the exchange will need to be evaluated and the increased subsidized costs appropriated by the legislature.

Technically we have questions about various parts of the bill such as what the terms “inpatient” or “outpatient” care really mean. Does a “residential” substance use disorder program fall under the coverage requirements of “inpatient”? If one goes into a program as an inpatient and then transfers or “steps down” to a “residential” program level of treatment, does the initial 14 days of full un-managed care start over or does the 180 days of coverage begin? Many patients step down again from inpatient or residential care to partial hospital programs that sometimes meet for multiple days per week and multiple hours per week, are these programs now the start of the “outpatient” care or did the 180 days start with the “residential” program? Regardless of when the 180 days begin, six months is a very long time to receive medical care (potentially very expensive medical care), with no ability to review the care being provided. Further, when the six months are over, can they be re-admitted for 14 days again for inpatient treatment and start the entire process over?

While all of these benefits sound wonderful and desirable, taken together the increased benefits and inability for the insurance companies to manage the cost of care increases the costs of premiums. The ultimate outcome may be even more Kansans desperate for affordable options in the individual and small group fully insured markets in your districts complaining to you about the high cost and fewer options (i.e. less carriers offering coverage, less products available, etc.). -Especially those that find religious-based plans, short-term limited duration policies, association health plans or Farm Bureau to not be an option for them due to pre-existing conditions or other limitations.

Over the 25 years, I have been before you representing health insurance companies, proponents of many, many mandates have come before the legislature asking for mandated health insurance coverage for certain products, treatments or providers. From nutritional formula and wheelchairs for children, to asymmetrical breast reconstruction for cancer survivors to more mental health coverage such as this mandate. They are all compelling and emotional pleas, but in order to allow the legislature to evaluate each of them in a fiscally responsible manner, KSA 40-2248-49 and 2249a were introduced, debated and passed. These statutes, which have been followed by other proponents in the past, require a cost impact study be done by the proponents before any new mandate may be considered and that any proposed new mandate must first be tested on the state employee health plan in order to carefully consider the cost associated with a proposed mandate before passing it along to the private market.

We respectfully request those laws be followed and this committee take no action on this bill.
Thank you for your consideration.