

To: House Insurance Committee, Representative Jene Vickrey, Chairman

From: Jamie Panek; Cunningham, Kansas

Date: Wednesday, March 6, 2019

Re: Proponent, written-only, SB 32

I am writing in hopes that you will support SB32 on behalf of the hard-working farmers, ranchers, and self-employed people of Kansas. For the first time in my working career, I have a family health insurance policy (offered through my employer). It is great insurance and I am extremely grateful to my employer for this benefit. Until October 1, 2018, quality, affordable health insurance was not a possibility for my family. Previously, our only option for health insurance was though the Affordable Care Act (ACA) marketplace. These policies were not affordable, nor was the coverage what I would consider quality. **In 2017, marketplace insurance premiums constituted 33% of my net income.** In 2018, even with a wage increase, that number increased to **35% of my net income.**

Our family is growing and this spring we will add a second child to our family. When I began looking at options for health insurance, I realized that the greatest sacrifice that I am making for my family is to **continue working off the farm for the sole purpose of accessible, quality health insurance.** This is the case for several reasons:

- 1) The premiums that were already not affordable are continuing to rise at alarming rates. **Our annual average premium increase with an ACA policy was 36%. It had previously been 8% with our Pre-ACA health insurance policy.**
- 2) The deductibles have risen year after year. In 2017, in an attempt to keep our premiums affordable, I enrolled my baby in a gold plan policy and enrolled my farmer husband in a bronze (catastrophic) plan. His policy had a \$13,700 individual deductible. This is unacceptable. As a parent and as a wife, I shouldn't have to choose which family member deserves "better" health insurance. That's what I was forced to do so that we could afford the premiums.
- 3) The quality of the ACA policies has continued to decline year after year. In 2019, for the first time since the ACA was implemented, **there is not a single Marketplace insurance provider that offers Out-Of-Network Coverage in Kansas.** Let me explain what this means to me. In 2015, my daughter was born with a hole in her heart. We had to see a pediatric cardiologist. There is one pediatric cardiologist in the entire state of Kansas. Luckily for us, she was located 1.5 hours away. However, it took 5 ½ months and being rescheduled 3 times before we found out that our baby's heart condition would not require surgery and had resolved itself. On the 2019 Marketplace policies, that cardiologist (the only one in the state of Kansas) is now classified as an Out-Of-Network provider and would be required to be paid out of pocket. I'm not sure how many people can afford to pay a cardiologist out of pocket, but I would guess that it isn't many. **Policies with stipulations like these are detrimental to farmers and ranchers** who have worked their entire lives to build assets only to be forced to liquidate them due to medical bills.

As a working mother and farm wife, I have been extremely unhappy with the individual health insurance options that have been available since 2015. The passing of SB32 would mean that another option is available for fellow farm/ranch families like mine. I truly appreciate your consideration. In addition, I hope you will take time to review our historical health insurance data that is attached and if you have any questions, I have included my contact information below.

Thank you,

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Year	Deductible	Monthly Premium	People Covered	Increase Over Prior Year	Average Increase in Premium
Pre-ACA					
2011	\$2,500	\$217.97	2 Adults		
2012	\$2,500	\$240.00	2 Adults	10%	
2013	\$2,500	\$247.34	2 Adults	3%	8%
2014	\$2,500	\$273.88	2 Adults	11%	
ACA					
2015	\$2,800	\$404.94	1 Child, 1 Adult	48%	
2016	\$3,600	\$500.18	1 Child, 1 Adult	24%	
2017	\$2,400	\$229.17	1 Child		36%
2017	\$13,700	<u>\$358.06</u>	1 Adult		
2017 Total			\$587.23	17%	
2018		\$905.51	1 Child, 1 Adult	54%	