



Senate Bills: 29, 30, 33, 34 and 36 Support

Written Testimony submitted to the
Senate Committee on Financial Institutions and Insurance

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Mr. Chairman and Members of the Committee:

The Greater Topeka Chamber of Commerce supports this package of legislation which has the collective effect of enabling associations like chambers of commerce to offer health plans to its members who are small employers, thus making affordable health insurance available to a broader group of hard-working Kansans.

On behalf of its nearly 1,000 members, the Topeka Chamber serves as the voice for the business community in Topeka and Shawnee County. The Chamber's priorities include implementing policies, tools and incentives which encourage businesses to locate and grow in Kansas and which persuade people to live, work and play here. By enabling its small members to purchase cost-effective health insurance, these bills create a tremendous solution to one of those members' most chronic issues: how to ensure their employees get the health coverage they and their families need.

Under current law, associations are allowed to sell group plans, but if any of their participating members employ fewer than 50 people, and over 85% of the Topeka Chamber's members fall into that category, the entire plan must be rated at the small group rate. The small group rate is generally higher than rates which could be attained if the various members were rated according to their actual collective experience. Associations with small business members are, thus, precluded from offering any of their members access to health plans which are as cost-effective as they could be. House Bill 2054, and its accompanying bills, remove this barrier and will put organizations like the Topeka Chamber in a position to extend the benefit of competitively-priced group rated health insurance to its members, especially those who are currently too small to realistically venture into the health care market on their own.

It may be productively noted that this issue is independent of Medicaid expansion, which is a separate and admittedly more controversial topic. Regardless of one's position on



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that matter, the allowance of association health plans raises no similar controversy. It simply helps accomplish a goal which is beyond dispute: the provision of free market health insurance to more Kansans at prices they can afford.

We urge you to support Senate Bills: 29, 30, 33, 34 and 36.

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