



In-Person Testimony of Andrew Wiens
On behalf of Kansas Employers for Affordable Healthcare
In Opposition to HB 2824
Provided to the House Committee on Insurance
On March 20, 2024

Chairman Sutton and Members of the House Committee on Insurance:

Thank you for the opportunity to testify today in opposition to House Bill 2824. My name is Andrew Wiens, and I'm appearing before you today as Executive Director of Kansas Employers for Affordable Healthcare (KEAH).

KEAH is an advocacy organization that fights on behalf of employers and their employees to protect affordable employer-sponsored health coverage.

HB 2824 mandates coverage of pediatric acute-onset neuropsychiatric syndrome (PANS) and pediatric autoimmune neuropsychiatric disorders associated with streptococcal infections (PANDAS).

I stand before you today to express our concerns regarding this health insurance coverage mandate. While the intention behind this bill is certainly noble, its implications could have negative effects on our state's healthcare system, employers, and employees.

Mandating coverage, regardless of the specific medical condition in question, inevitably leads to increased costs for employer-sponsored health coverage. Employers already face significant financial burdens in providing healthcare benefits to their employees, and adding more mandates will only exacerbate this issue. Increased costs may force some employers to reduce benefits in other areas to remain financially viable.

The list of employers covered by this change would include both private sector and public sector organizations that could be on the hook for additional expenses. Public sector organizations like school districts and local governments are supported by taxpayers, including businesses, that will end up paying for these additional costs on that side of the ledger as well.

Additionally, imposing such mandates is likely to result in higher premiums for employees. As healthcare costs continue to rise, any additional mandates imposed by the government will inevitably be at least partially passed on to employees in the form of increased premiums, deductibles, or copayments. This places an undue financial

burden on hardworking Kansans who are already struggling to afford healthcare coverage for themselves and their families.

Moreover, mandating coverage takes away employer choice and flexibility in designing health insurance plans that best suit the needs of their workforce. Employers should have the autonomy to tailor their health benefits based on the unique healthcare needs of their employees. Mandates limit this flexibility and result in one-size-fits-all plans that may not be suitable for all employees.

K.S.A. 40-2248, 40-2249, and 40-2249a wisely require a test track and impact report as well as a cost benefit analysis to be submitted prior to legislative consideration of mandated health benefits on the private sector. The purpose of the cost benefit analysis is for the proponents to perform an extrapolation of the costs on the entire affected insured population and provide an estimate of any potential benefits.

HB 2824 states that the PANS/PANDAS insurance coverage pilot program operated by the State Employee Health Plan (SEHP) shall be deemed to satisfy the impact report requirements. It is worth noting that concerns have been raised with the pilot program operated by the SEHP. Unless I'm mistaken, all we know at this point is the costs that the SEHP have now and that they will go up and be spread across taxpayers and/or state employees, while costs to the impacted families will go down. We have little idea what the impact will be on the entire system or what benefit the employers and employees will receive. In the absence of better information, it might be worthwhile to slow down the process and examine who this change would impact and by how much before moving forward with a broader insurance coverage requirement.

While the goal of ensuring comprehensive healthcare coverage for Kansans is admirable, adding another coverage mandate is not a solution that is in the best interests of Kansans. We would urge the committee to count the costs prior to passing this or similar legislation, and instead work to empower employers and employees alike to make informed choices about their healthcare coverage without imposing unnecessary mandates that only serve to drive up costs and limit choice.

In conclusion, even if this particular coverage mandate may not be as substantial as others proposed or implemented in the past, the steady drip-drip-drip of additional cost-hikes takes its toll on employer-based health benefits over time. With this in mind, we ask that you refrain from passing HB 2824.

Thank you for listening to our testimony in opposition to HB 2824, and I am happy to stand for questions at the appropriate time.

Andrew Wiens
Executive Director
Kansas Employers for Affordable Healthcare