



TESTIMONY IN OPPOSITION OF SB 199

February 25, 2021

Chairman Longbine and Members of the Committee,

The Kansas Chapter, American Academy of Pediatrics (KAAP) represents more than 400 practicing pediatricians in the state. The KAAP has the fundamental goal that all children and adolescents in Kansas have the opportunity to grow safe and strong. It is with this goal in mind that we want to communicate our strong opposition to Senate Bill 199 regarding short term limited duration health plans.

Without the critical protections of a regulated insurance policy, Kansas families who purchase these products may feel the relief of lower cost when they pay for their product, but they will be disappointed when the limitations of what they purchase do not protect and serve their families. These plans are unregulated, and thus the Department of Insurance will have no power to protect Kansas families from bad practices or help customers with complaints or issues.

- These plans often exclude patients with pre-existing conditions, including maternity care. There is ample evidence connecting access to optimal prenatal care to healthier mothers and babies.
- Considering the COVID-19 pandemic, the government's requirement to cover the cost of COVID-19 vaccine does not apply to these short-term limited duration health plans. Also, as we do not yet fully understand the long-term implications of this novel virus, if a member had a diagnosis of COVID-19 prior to start of the short-term plan, they likely will not be covered for treatment costs related to the virus.
- When catastrophic injury or illness does occur (always unexpected), these patients will **not** have sufficient coverage. Medical bankruptcy is a reality that could add to the traumatic nature of an already unforeseen medical condition with lasting negative effects on Kansas children and families.
- Many uninsured workers may actually be eligible for marketplace coverage or Medicaid but just don't know it or otherwise not enrolled.
- The short-term limited duration health plans will **not** be required to cover the 10 essential health benefits (EHB), and families may come into pediatric offices not realizing services won't be covered. EHB as mandated by the ACA which include:
 1. Ambulatory patient services (outpatient services)
 2. Emergency services
 3. Hospitalization
 4. Maternity and newborn care
 5. Mental health and substance use disorder services, including behavioral health treatment



6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including oral and vision care

While they may appear less expensive at first glance, these health plans create a Swiss-cheese model of healthcare coverage.

It is clear, Senate Bill 199 will allow for less-than-optimal pediatric health care in Kansas. Considering the events surrounding a pandemic in 2020, this is not in the best interest of Kansas children and families. In fact, these health care products may actually worsen health care services, particularly in rural Kansas. When the limitations of these products are exposed in real life because they do not cover healthcare needs as insurance does, local doctors and hospitals will feel the strain of providing uncompensated care even greater than they do now.

Thank you for your time and attention. We welcome any questions you might have and are happy to serve as your resource on all pediatric issues.

Respectfully submitted,

Dr. Dena Hubbard, MD, FAAP
Legislative Coordinator
Kansas Chapter, American Academy of Pediatrics