



SENATE BILL 199

The Senate Committee on Financial Institutions and Pensions

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Josh Archambault
Senior Fellow
Opportunity Solutions Project

Thank you for to share information in support of SB 199.

We all share one common goal for our health care system: to give Americans more options to purchase good, affordable coverage that's right for them. At Opportunity Solutions Project, we care about this goal a lot—because we know just how high the stakes are. We've seen desperate families who have been priced out of the market—and you know these people too. You've met them while knocking on doors in your district. You've heard their stories, they are some of your neighbors.

And it's not a mystery why—they've been priced out of the market. In fact, on average, insurance premiums have more than doubled since 2013.ⁱ Families and those in transition need options. Short-term plans can be one of those affordable options.

For example, a 40-year-old female from Overland Park who does not smoke would pay an average of \$509 per month in the individual market.ⁱⁱ At that price, there's a good chance she'll simply decide to go without coverage at all.

Allowing these plans to last longer allows enrollees to pick the best plan for them and have the certainty of coverage for longer. Critics of short-term plans fail to mention that for most enrollees the choice is not between two health plans, but instead it is a choice between coverage or no coverage at all. In other words, the full cost for all the services and health conditions they talk so much about fall 100 percent on that individual, which is certain to bankrupt almost all of them.

Something has to change. And you have the opportunity to change it here today.

By expanding access to short-term plans, you can set the stage for more, affordable health care choices for Kansans.

The same 40-year-old woman from Overland Park would be able to find a 71 percent less expensive short-term plan for \$146 per month that she can afford versus being uninsured.ⁱⁱⁱ

And it's not just about saving money. It's about offering more choices for patients—for people in your district.

With short-term plans, a 26-year-old leaving the military won't have to worry about going uninsured while he transitions to a new job or back into the classroom.

A single mom will be able to leave her bad work environment without worrying about how she'll find health insurance for her family while she looks for another job.

A man retiring at 64 can obtain affordable coverage while he spends more time with his grandkids before Medicare kicks in at 65.

Health care is the single largest deduction in people’s paychecks—we all notice how much we’re spending on it. But think of what these people could do with the money they would save every month. They could invest it in their children, or they could put it towards education or training to get a better job. They have so many new options because you helped them where they need it most.

It’s no surprise that 63 percent of all voters support affordable short-term plans.^{iv} In fact, Kansas is already allowing them. This bill would simply expand the duration allowed for these plans from 6 months to 12 months and allow them to be renewed with greater flexibility.

You have an opportunity to amplify affordable health coverage for Kansas. That’s why I urge you to support this bill.

ⁱ This figure was found in a United States Department of Health and Human Services report entitled “Average health insurance premiums have doubled since 2013.”

ⁱⁱ This data is from Agile Health. See Jonathan Ingram’s memo, Appendix 1, <https://thefga.org/wp-content/uploads/2018/10/Short-Term-Plans-memo-DIGITAL-file-10-30-18.pdf>.

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^{iv} This poll was conducted by FGA in November 2018 and is available here: <https://thefga.org/poll/voters-support-short-term-insurance-plans/>.