

**SENATE INSURANCE COMMITTEE**  
**FEBRUARY 3, 2021**  
**Testimony Opposing Senate Bill 48**  
**John J. Federico, JD**

**Blue Cross and Blue Shield of Kansas City**

Chairman Longbine and Members of the Committee, my name is John Federico and I am here today on behalf of Blue Cross and Blue Shield of Kansas City ("BlueKC") to testify in opposition of Senate Bill 48.

BlueKC is a not-for-profit health plan serving more than a million residents in the greater Kansas City area, including Johnson and Wyandotte counties in Kansas and 30 counties in Northwest Missouri. Our mission is to use our role as the area's leading health insurer to provide affordable access to healthcare and improve the health and wellness of our members.

SB 48 would eliminate any cost-sharing for mammograms for individuals diagnosed with cancer.

While we understand patients may not like cost-sharing for any medical services, eliminating cost-sharing has a direct impact on premiums. That is why we offer many different plans with different cost-sharing for medical services so that the consumer, can pick the plan that is right for him or her at the price they can afford.

Eliminating cost-sharing for any type of service for all health plans increases the premiums for all plans. Consumers like choice and since the ACA, cost-sharing is one of the few choices left when selecting an ACA compliant plan.

While this mandate may not significantly increase the cost of the premium, it sets a precedent for other services to be paid at 100% and it will be difficult for the legislature to choose which medical services should and should not be subject to cost-sharing. We believe the consumer should be the decisionmaker and not be forced to buy a health plan with more cost-sharing mandates that the consumer might otherwise choose to forgo.

Finally, HHS has recently indicated in the 2021 & 2022 Notice of Benefits and Payment Parameter Regulations that it intends to impose a cost-defrayal regime on states that implement, or have implemented since January 1, 2012, benefit mandates after that go beyond ACA-mandated Essential Health Benefits ("EHB"s). States are required to report health benefit mandates in the individual and small group markets that were not in place prior to January 1, 2012. The state of Kansas is subject to a defrayal payment to either the issuer or individual enrollees in these markets to account for the additional cost of covering such benefits beyond the required EHBs. Thus, imposing new benefit mandates will come at a cost to Kansas taxpayers.

For the reasons stated above we respectfully request you oppose SB 48. I would be happy to answer any questions you may have.