

Ohio Senate Insurance & Financial Institutions Committee

March 13, 2019

Proponent Testimony - S.B. 9

Submitted by: Ed Mueller, CEO, AXIA Consulting, Inc.

Chairman Hackett, Vice-Chair Hottinger, Ranking Member Craig, and members of the Committee, my name is Ed Mueller and I am appearing today in my capacity as CEO of AXIA Consulting, Inc. in support of Senator Matt Huffman's S.B. 9.

AXIA is a successful business domiciled in the State of Ohio with over seventy employees. Fifty of our team members are residents of the State of Ohio. We have a group health insurance contract with a major health insurer in Ohio that is fully regulated by the Ohio Department of Insurance. Terms of our policy are usually for 12 months and prior to recently changes health insurers, we had been through more than ten renewals with the same carrier.

AXIA competes across the USA and globally for business. Health insurance coverage is a very important part of our employee compensation package and we compete with several vendors for quality employees that possess the skill set needed to make our organization successful.

Health Insurance premiums are the second largest expense (only payroll is larger). It is unintuitive that we make our health insurance purchase decisions with a very limited amount of data as to why we pay what we pay. Expenses covered by our health insurer for indemnifying our employees from health care expenses is their obligation in the contract, yet we are not afforded access to what was actually provided in return for our premium payments.

When we open up the bidding for our employees' health insurance business to other health insurance carriers permitted to write coverage in Ohio, all of our employees are required to complete time-consuming health history questionnaires. The purpose of gathering this information is to allow competing carriers to estimate the average health care cost for our group. Our health insurer is in possession of our current claims data which is the most accurate measure of the group's cost. Passage of S.B. 9 will insure that our group plan will be able to share the most accurate health information to other carriers in a HIPAA-compliant manner.

In conclusion, competition will only occur when all bidding carriers are provided true claims data. This transparency will promote real competition and will also provide us, as an employer, critical information when we decide where and how our premium dollars are best spent.

I appreciate the opportunity to submit this testimony for your consideration.