



Ohio House Insurance Committee
House Bill 24
May 13, 2025
Opponent Testimony

Chairman Lampton, Vice-Chairman Craig, and Ranking Member Tims, on behalf of the National Association of Benefits and Insurance Professionals Ohio Chapter (NABIP - Ohio) - a member organization representing licensed agents and brokers who are engaged in the sale and service of health insurance and other ancillary products and serving employers and consumers in the state of Ohio - to bring your attention to consumer protection concerns related to House Bill 24.

House Bill 24 proposes to require insurers currently offering Medigap plans to extend these plans to individuals under 65 eligible for Medicare due to a disability. It further requires that these newly eligible individuals be rated at the same premium as a 65-year-old. We are deeply concerned about the impact of adding the known risk, and associated costs, to the Medicare supplement block of business.

A 2024 analysis of insurance data estimates the annual cost of treating ALS at approximately \$31,000 - \$121,000.ⁱ The average Medicare spending for beneficiaries with ESRD per patient per year was \$81,734 in 2022.ⁱⁱ Adding these high-cost individuals into the Medigap pool without actuarial rate adjustments threatens the long-term stability of the program for the very population it was designed to protect, our seniors. This is particularly concerning for seniors in rural areas who rely on Medigap to shield them from the high out-of-pocket expenses in traditional Medicare Parts A and B.

The bill also requires insurers to offer an annual open enrollment period for the under age 65 Medicare beneficiaries. Currently, Medigap policies allow guaranteed issue enrollment only within six months of initial Medicare Part B enrollment, without medical underwriting. After that period, individuals are subject to underwriting, which helps maintain a balanced risk pool. Removing this structure and introducing annual open enrollment could lead to adverse selection, where individuals enroll only when they anticipate significant medical expenses. At a minimum, we recommend amending the bill to remove the annual open enrollment provision and instead allow a one-time open enrollment opportunity for currently eligible individuals.

On behalf of NABIP-Ohio, I would like to thank you for your attention to this matter. We appreciate the committee's review of our testimony and are willing to continue dialogue around this, or any other insurance matter.

Barb Gerken
Legislative Chair - NABIP-Ohio

ⁱ Medical News Today, 2025, <https://www.medicalnewstoday.com/articles/how-common-is-als>

ⁱⁱ National Institutes of Health, United States Renal Data System 2024 Annual Data Report, <https://usrds-aadr.niddk.nih.gov/2024/end-stage-renal-disease/9-healthcare-expenditures-for-persons-with-esrd>