

Proponent Testimony
SB 227
January 16, 2018

Chairman Hottinger, Vice Chair Hackett, Ranking Member Brown and Members of the Senate Insurance and Financial Institutions Committee:

Thank you for the opportunity to offer testimony in support of Senate Bill 227. I believe Senate Bill 227 makes essential progress in assisting small business to make efficient and educated decisions when making healthcare benefits purchases.

My name is Beth Kohmann and I am the Vice President of Benefits at Group Management Services. Our company works predominantly with companies from 2-100 employees. This demographic requires health applications to be completed for each eligible employee of that company in order to secure or to deny coverage. Each carrier has it’s own unique employee and employer application. Meanwhile, employers with over 100 employees are able to submit claim information in lieu of health applications as a part of their yearly renewal information.

From October – December of 2017, our company had over 100 employers who received January 1 renewals from carriers after November 1. Over the next four weeks, those employers were then responsible for getting individual applications for a minimum of three carriers from all of their eligible employees, if they wanted to cover essential carrier markets, in order to have final underwritten rates. They then needed to submit required information to those carriers to receive a quote with an average turn around of 10-15 business days. Furthermore, many carriers posted a deadline to submit January 1 groups on or around December 10, 2017 with finalized census, elections, plan choice, etc. Thus, employee education meetings and management meetings also needed to be held within that time in order to decide on plans, educate employees, and then submit and secure the most affordable healthcare coverage. Our small employers are understandably frustrated at the lack of efficiency of the system as they try to provide above adequate coverage for their employees and their families.

We want small employers to be afforded the same ability to find the best healthcare for their company in an efficient and reasonable manner. The current system is not universal in its approach nor is it efficient in its process to quote new groups. Allowing claims data to be released from carriers would allow efficiency in the exchange of information and the ability for companies to truly “shop” for healthcare and to find the best plans at the most affordable rates for their employees. For all these reasons, I fully support this Senate Bill 227 and encourage its passage.

Thank you for your time and consideration and I am happy to answer any questions you may have.

Kindest Regards,

Beth Kohmann
Vice President of Benefits