
Sneed Law Firm, LLC

Memorandum

To: The Honorable Jene Vickrey, Chair
House Insurance Committee

From: William W. Sneed, Retained Counsel
America's Health Insurance Plans

Date: February 2, 2017

RE: HB 2103

Mr. Chairman, Members of the Committee: My name is Bill Sneed and I am Retained Counsel for America's Health Insurance Plans ("AHIP"). AHIP is the national trade association representing the health insurance industry. AHIP members provide health and supplemental benefits to more than 200 million Americans through employer-sponsored coverage, the individual and small group insurance markets, and public programs such as Medicare and Medicaid. Members offer a broad range of health insurance products in the commerce marketplace and have also demonstrated a strong commitment to participation in public programs throughout the country. Please accept this memorandum as my client's opposition to HB 2103.

First of all, AHIP continues to oppose any mandate because we contend state mandates can hinder health insurance plans' ability to respond in today's current environment by requiring coverage of specified treatments, services or conditions. However well-intentioned, these mandates can ultimately harm consumers by raising the cost of health insurance.

Second, health plans routinely exclude non-prescription material, regardless of cost. We believe the core problem appears to be the lack of competition among the manufacturers of these types of formula.

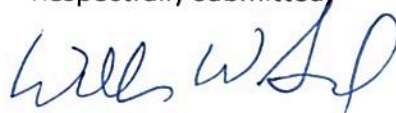
Third, our state has been very hesitant to require mandates and equipment related to health care. This is because such mandates oftentimes misallocate resources by requiring consumers, or their employers, to spend available funds on benefits that they would otherwise not purchase.

Finally, notwithstanding the current state of the Federal law regarding health insurance, the Legislature must carefully analyze the effect on mandates and whether a mandate as encompassed in HB 2103 is above and beyond the Essential Health Benefits (“EHB”). If so, such costs would be borne by the state.

We appreciate the opportunity to voice our opposition to HB 2103. We respectfully request that the Committee act unfavorably on this bill.

I am happy to answer questions at the appropriate time.

Respectfully submitted,

A handwritten signature in blue ink that reads "Will W. Sneed". The signature is written in a cursive style with a large initial "W" and "S".

William W. Sneed