



Wichita Independent Business Association

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*THE VOICE OF INDEPENDENT BUSINESS*

March 12, 2012

HB 2764  
Written Testimony Before the House Insurance Committee  
Tim Witsman, President

Chairman Shultz and members of the committee;

The Wichita Independent Business Association (WIBA) has represented Kansas businesses for 81 years. WIBA membership ranges from the individual sole proprietor operating a home-based business to large corporations with thousands of employees. WIBA has almost 700 member businesses from Wichita and throughout the state and represents more than 250 industries. WIBA exists for one purpose – to serve the interests of independent enterprise.

WIBA would like to express its concerns with HB 2764, the autism mandate. We believe that any health insurance mandate will increase health insurance costs on businesses. According to the 2012 survey results, WIBA members indicate the top area on which to focus our lobbying efforts is the reduction of health insurance costs in Kansas. HB 2764 would increase health insurance costs, not reduce them.

There is much debate around the cost of health insurance mandates. While actuaries, insurers, and health economists agree that virtually all mandates increase the cost of health insurance, the magnitude of their effects has been subject to debate. The Council for Affordable Health Insurance estimates that mandated benefits currently increase the cost of basic health coverage from as little as less than 20% to more than 50%, depending on the state and its mandates.

Every health insurance mandate is brought to the legislature with good intention, but as additional mandates have been enacted, health insurance companies have become limited in the types of lower cost plans they can offer. Mandates place additional requirements upon health insurance companies in Kansas and limit their ability to offer innovative and low cost health insurance products.

Thank you for your consideration and please contact me if you have any questions.