



8325 Lenexa Drive  
Lenexa, KS 66214

March 25, 2021

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Written-only Testimony to Oppose SB 199:  
Relating to and providing for Short Term, Limited-Duration Health Plans

**Chairman Longbine and members of the committee:**

Sunflower Health Plan respectfully opposes SB 199 and voices the following **concerns** with this legislation:

1. **Expanding the duration of STLDIs poses risks to state individual market risk pools and affordability:**
  - Traditionally, STLDI is designed to fill a temporary gap in coverage when an individual is transitioning between plans or coverage, rather than providing a long-term coverage option.
  - STLDI is not intended or designed to be comprehensive in nature as it is not required to cover federal essential health benefits and is not prohibited from excluding individuals with pre-existing conditions.
2. **Expanding the availability of STLDI could lead to premium increases and other negative impacts on market affordability and stability.** Healthier consumers may opt for lower-cost, less-comprehensive STLDI while higher risk individuals remain or enroll in ACA-compliant plans.
3. **Because of the risks that STLDI plans pose to overall market stability, we recommend the following STLDI regulatory action:**
  - Limit the duration of coverage to 3 months with no renewability option;
  - Prohibit issuers from renewing or re-enrolling an individual in STLDI if the consumer was eligible to purchase health insurance through the Marketplace during an open enrollment period or special enrollment period in the previous calendar year; and
  - Require STLDI issuers to provide comprehensive disclosures on all application materials and on all policy documents that:
    - (1) An individual is subject to a higher out of pocket cost than for ACA coverage;
    - (2) The policy does not cover federal essential health benefits except for doctor visits, emergency services, hospitalizations, and laboratory tests and services; and
    - (3) An individual can be subject to underwriting upon each renewal.

We oppose this bill for the reasons above and have provided recommendations for you to consider.

Thank you for your time,

Shawn Furey  
SVP, External Relations  
Sunflower Health