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March 29, 2022

To the Honorable Representative Baisley and Members of the House Committee for Health & Insurance

Re: Opposition to HB 22-1198

INTRODUCTION

I'm, albeit a long time ago, a former Insurance Commissioner for the State of Colorado so I'm well-versed in insurance regulation and the intended consumer protections afforded by it.

I left a downtown Denver law firm over five years ago and opened my solo law practice out of my home office. My practice emphasis has been in and around insurance law and insurance issues ever since when I left my position with the State years ago.

Last year I had the opportunity to represent an individual who was a member of Alera Healthcare as well as, with a co-counsel, another individual who was a member of MediShare and Christian Care Ministry. My clients encountered incredibly significant problems with these Healthcare Sharing Ministries ("HCSMs").

As a result of my involvement as their attorney, my significant (and continued) research, and my background, experience, and training, I've become very familiar with HCSMs.

I was alerted to HB 22-1198 by people whom I've known and/or been introduced to and I have several concerns about the Bill and assuredly what could happen if the Bill were to be passed.

COMMENTS AND ANALYSES

I apologize to Representative Baisley in that I've not contacted him before. I'm certain he's well-intended with his legislative proposal, but it may well be that he hasn't had the benefit of being immersed in the sad experiences that my clients encountered—and, heaven forbid, many others. It may be that he's done a lot of background research or possibly that he hasn't. Therefore, I do not intend to attack him personally.

I have some significant concerns about this Bill and I present this letter as my written testimony with the hope all the members of this Committee find it to be helpful. I'd certainly be happy to try to answer questions any of you might have to the extent that I'm able.

My overriding and primary concern is that this Bill, if enacted, would officially recognize HCSMs in Colorado. As a result of my research, I'm aware that laws have been enacted in a

small number of other states which have recognized HCSMs and exempted them from being regulated as insurance companies. However, if one tracks the history of the legislation which these entities have claimed exempt them from being recognized as or regulated as insurance companies and based upon my research, they're not exempt and that legislation certainly didn't address and didn't exempt HCSMs from regulation by the state insurance regulators.¹

What my clients encountered was the denial of claims which caused them to face enormous, personal exposure for the medical bills because they were without insurance and they had no protections. The client who was "insured" by Alera ended up having to personally pay the medical providers. The other client who was "insured" by another HCSM encountered huge problems getting the claims paid and without my assistance and that of my co-counsel would most likely have had to self-pay huge medical bills.

Colorado's current insurance law, C.R.S. § 10-3-903.5, provides that the Colorado Commissioner of Insurance has jurisdiction over any entity which provides healthcare coverage unless such an entity is "... subject to the jurisdiction of another agency of this state, any subdivisions thereof, or the federal government." If this Bill were to pass the provisions of HB 22-1198, in the proposed section 6-27-105 (Enforcement), in section (2), would expressly recognize an HCSM and exempt it from any of the insurance laws of Colorado. As I indicated in the footnote, states have the primary responsibility for the regulation of the business of insurance. Based upon my preliminary research and my experiences, it's my opinion that HCSMs are insurance companies because almost everything they do is what a "regular" insurance company does, and that they are not and should not be exempt from state regulation of insurance. If I'm correct, HCSMs should be subject to this statute and they should be regulated as insurance companies. If they were determined to be and regulated as insurance companies the multiple protections for consumers/policyholders afforded by the Colorado insurance laws would be applied.

To provide you all with some things to consider, I want to summarize some of the risks presented by membership in a HCSM. Please consider that:

- HCSMs state that the "member" is not insured and that a member's claim may be "shared," but they then state that "sharing" is totally discretionary and that payment may not occur and that the member is always personally responsible for any health care costs.
- HCSMs do not have to provide the same health care benefits to its "members" that insurance companies are obligated to provide to their insureds.
- HCSMs actively market their plans through licensed insurance producers and I've learned that such producers are paid a much higher commission to place "members" in a

¹ The states have primary responsibility for regulating the insurance industry. See 15 U.S.C. § 1011 (declaration of Congressional policy for the McCarran-Ferguson Act).

HCSM than what they'd be paid if those placements were with regular/licensed health insurance companies.

- Because HCSMs are not licensed as insurance companies and because they are not regulated by insurance regulators as insurance companies, they are not legally obligated to maintain reserves and they are not subject to the annual reporting obligations, including, but not limited to, the requirements for review by an actuary to assure that their "contributions" (what would be called premiums in the insurance world) are adequate.
- HCSMs are not subject to the insurance rate laws which would require them to maintain reserves for incurred but not reported ("IBNR") claims.
- HCSMs are not required to maintain even minimum surplus (an amount over and above reserves) which would provide protection for unexpected swings in claims experience.

If HCSMs were regulated and subject to the jurisdiction of the Colorado Division of Insurance, these risks would not occur and HCSMs' "members" would be provided the consumer protections afforded to regular insureds because they would have contracts, i.e., policies, of insurance which required the payment by the insurer for covered benefits.

I'd think that Colorado and its Division of Insurance and the Colorado Commissioner of Insurance would at least like to retain the right to investigate and/or fully consider if these entities are in fact engaged in the business of insurance. If HB 22-1198 were to pass this right would be eliminated.

Further, and separate from all the foregoing, I'm also concerned about the provisions in this Bill, see section 6-27-105(3), which would restrict "government entanglement with religion" and the language about "substantial burdens on religious exercise." These provisions and the language are very broad and could create a lot of issues if this Bill were passed and anyone, including the Colorado Attorney General, sought to enforce it.

CONCLUSION

Therefore, I oppose this Bill because I believe that the Insurance Commissioner and the Division of Insurance should be allowed to consider, investigate, and take such action(s) as they might believe would be appropriate against HCSMs.

I also oppose the Bill to avoid the other issues or problems I mentioned which could occur if this Bill were to be passed.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "John Kezer", written in a cursive style.

John Kezer



April 1, 2022

The Honorable Susan Lontine
Chair, House Health and Insurance Committee
200 E Colfax, Rm. 307
Denver, CO 80203

RE: Legislation concerning health care sharing arrangements (HB 22-1269 vs. HB 22-1198)

Dear Chair Lontine and members of the Committee:

Thank you for the opportunity to submit written testimony on the two bills being heard today regarding health care sharing arrangements (HCSAs), HB 22-1269 and HB 22-1198.

The mission of The Leukemia & Lymphoma Society (LLS) is to cure leukemia, lymphoma, Hodgkin's disease, and myeloma and improve the quality of life for the more than 1.3 million people in the United States living with blood cancer, and their families. The proliferation of "insurance-like" products in recent years, including HCSAs, is of significant concern for LLS. HCSAs are exempt from many important consumer protections and as a result, pose significant risks for people with pre-existing conditions and chronic illnesses.

LLS has endorsed HB 22-1269 because this bill creates strong transparency standards in a setting for which higher transparency is essential to protect consumers from bad actors in the HCSA industry. Similarly, LLS would warn against the "black box" approach to transparency proposed in HB 22-1198, as well as the limitations it places upon the ability of state agencies to protect consumers.

HCSAs pose risks to patients and consumers

Last year, LLS and 29 other national patient advocacy organizations issued a report finding that HCSAs adopt features closely resembling traditional insurance coverage, and often market themselves as a low-cost alternative to Affordable Care Act (ACA) plans.¹ The report went on to describe how consumers may enroll in HCSAs thinking that they are purchasing comprehensive coverage and without fully understanding the financial risks of a product that provides no guarantee of paid claims.

Even the services that are purportedly "covered" are limited and expose enrollees to substantial risk. Unlike actual insurance, HCSAs provide only the possibility of recouping some portion of incurred medical bills. HCSAs typically will not provide these payments for any costs related to pre-existing conditions, and routinely exclude any payment for key services, such as mental health and substance use disorder services, preventive services, and prescription drugs.

¹ The Leukemia & Lymphoma Society. (March 2021). "Under-Covered: How 'Insurance-Like' Products Are Leaving Patients Exposed." https://www.lls.org/sites/default/files/National/undercovered_report.pdf

Patients who receive a serious or life-threatening diagnosis while enrolled in an HCSA plan may face payment denials for all care leaving them responsible for devastating medical expenses.

HCSAs also note that they provide “last dollar” payment for medical bills and require that members first exhaust all other options, including other coverage, workers’ compensation, charity, and government entitlements (for those with certain lower incomes).² Further, members whose health care costs are denied payment have no right to appeal to an independent reviewer with medical expertise as they would under ACA-compliant coverage.³

Only HB 22-1269 will deliver sufficient transparency for HCSAs

LLS supports the enhanced reporting provisions in HB 22-1269 that require HCSAs to provide timely and comprehensive data to the Colorado Commissioner of Insurance regarding the size, financial conduct, and sales practices of HCSAs. As HCSAs continue to expand, state regulators must have information on these activities to evaluate whether these arrangements’ operations constitute the business of insurance, to watch for deceptive marketing and reimbursement practices, and to monitor enrollment.

LLS has significant concerns about the limited disclosure requirements proposed in HB 22-1198. Rather than provide more comprehensive data directly to the state insurance department, HB 22-1198 puts unconstructive limits on the data to be reported and would rely on audits that lend themselves to conflict-of-interest issues.⁴ The use of audits has not prevented HCSA misconduct resulting in administrative action and successful fraud lawsuits in other states.⁵

Self-policing is unlikely to achieve the results Colorado lawmakers are expecting in this market. Colorado’s own Division of Insurance said in October 2020 that it was receiving complaints⁶ about an HCSA whose spokesperson said in 2017 it “took to heart” Montana regulators’ critiques of their opaque business practices that had resulted in their being prohibited from conducting business in that state from 2007 to 2017.⁷ The HCSA in question – Medi-Share – is a member of the trade organization seeking passage of HB 22-1198.

² Volk, J., Curran, E., & Giovannelli, J. (August 2018) “Health Care Sharing Ministries: What Are the Risks to Consumers and Insurance Markets?” *The Commonwealth Fund*. <https://www.commonwealthfund.org/publications/fund-reports/2018/aug/health-care-sharing-ministries>

³ The Leukemia & Lymphoma Society (2021).

⁴ Turner, L. (Dec. 28, 2020) “Reforms of the Auditing Profession: Improving Quality Transparency, Governance and Accountability.” *Harvard Law School Forum on Corporate Governance*. <https://corpgov.law.harvard.edu/2020/12/28/reforms-of-the-auditing-profession-improving-quality-transparency-governance-and-accountability/>

⁵ Examples include: Weir, K. (Jan. 27, 2022) “Liberty HealthShare, vendors reach multimillion-dollar settlement with attorney general.” *Canton Repository*. <https://www.cantonrep.com/story/news/2022/01/26/liberty-healthshare-reaches-settlement-ohio-attorney-general/9224961002/>; Ommen, D., (March 17, 2021) “Consent order against Trinity Healthshare.” *Iowa Insurance Division*. https://iid.iowa.gov/sites/default/files/enforcement-orders-and-actions/82_-_order_and_consent_to_order_-_trinity_-_3.17.21.pdf

⁶ Rabey, S. (Oct. 23, 2020) “Health Share Ministries Face Growing Chorus of Complaints and Lawsuits.” *MinistryWatch*. <https://ministrywatch.com/health-share-ministries-face-growing-chorus-of-complaints-and-lawsuits/>

⁷ Larson, S. (Aug. 8, 2021) “Montanans find insurance alternative, pitfalls, with health care sharing ministries.” *Helena Independent Record*. https://helenair.com/news/state-and-regional/govt-and-politics/montanans-find-insurance-alternative-pitfalls-with-health-care-sharing-ministries/article_802af5a3-fc97-56da-8d29-c09d3b1a9ea5.html#tracking-source=home-top-story-1



Conclusion

LLS serves thousands of Colorado patients and families who need access to quality and affordable healthcare regardless of their income or geographic location. We appreciate the opportunity to provide input on the two bills being heard today and urge your committee to support the only bill that delivers the transparency standards needed to protect Colorado consumers: HB 22-1269.

If LLS can be of further assistance, please do not hesitate to contact me at dana.bacon@lls.org or 612.308.0479.

Sincerely,

Dana Bacon
Regional Director, Government Affairs
The Leukemia & Lymphoma Society

Carol Guenzi Statement about Experiences with MediShare

Introduction

I've never done this before so I apologize if this isn't in the correct form for written testimony.

I've been informed by one of my prior attorneys about the proposed legislation—HB 22-1198. Because of my experiences with MediShare and Christian Care Ministry (“CCM”) which individually or collectively are a Healthcare Sharing Ministry (“HCSM”), I'm very concerned about the proposals in HB 22-1198 which would officially recognize HCSMs and exempt them from regulation by the Colorado Division of Insurance. If MediShare and CCM had been regulated as other insurance companies are, I don't believe the problems I encountered would have occurred.

And I can't help but think that other people who are insured by HCSMs haven't had problems too. If “members” (the term used by HCSMs) had access to the complaint system and assistance from the Colorado Division of Insurance I think the problems I encountered and they may have encountered might not have occurred or that there would be better remedies for my or their problems.

I appreciate your consideration of my story and my testimony.

1. ***The events and the process moved me from Alieria to MediShare.***

In mid-November of 2019, I called and emailed my insurance broker to discuss how my having turned age 60 would affect the policy I had with Alieria. We talked on December 9th and he stated he would know the rates increases at the first of the year. On January 7th 2020, I received a call from my broker's office that I needed to choose a new health insurance plan because Alieria was no longer allowed to be a provider in Colorado. They scheduled a phone call with him and he told me that his only two options were MediShare or Connect Colorado, of which I would need to apply personally. So, I asked him to send over the information on MediShare for my review.

I had heard advertising on the radio about it and my insurance broker was optimistic about MediShare being a good option. I thought that was why you went through a broker is for them to do the due diligence and give you good advice, and I had been with him for three years as my health insurance broker. So, I chose and signed up for MediShare. My new plan was effective on March 1st.

2. ***My horrible health event and the resulting medical bills.***

In March of 2020, I had a horrible headache, and it was not getting better, so my girlfriend came over to help and tried calling MediShare about what hospital to go to. Because I had new insurance, I was unfamiliar with my options. She was put on hold, and finally, after not getting a person or any answer, she said we are going to take you where they can do a scan of your head

and called several hospitals to determine who had the shortest waitlist. PSL was 10 mins away they did a CT scan and I learned I had a brain hemorrhage. They transferred me via ambulance to ICU Neuro at Swedish where I was admitted. They ran tests and I learned that I had suffered a brain hemorrhage, a cerebral stroke, and an arterial stent was placed in my brain to dissolve an aneurysm. Several days later, the financial person at Swedish came in and asked for a payment based on a phone call she had with MediShare that I would have to pay my deductible directly to Swedish. I didn't even have a wallet or a check but I was able to provide one several days later. Eleven days later, I returned home. My Accountant/Bookkeeper came in to help me with these bills and to connect with MediShare. She was given instructions on how to submit the bills to the <https://www.msn.com/en-us/feed> web portal as they arrived and was told that they would review and not to worry because it was an emergency life-threatening situation and it did not matter where I had been admitted.

4. Claims I submitted to MediShare and its denials.

My assistant started scanning and submitting the bills for me because I could not work at the computer due to the procedures I'd undergone and my lack of vision and concentration. We learned that I received approximately 66 invoices from multiple doctors, radiologists, neurologists, imaging, procedures, Anesthesiologists, PSL emergency and AirLife. Later in reviewing the "Bill History" of the MediShare portal, many of these bills were sent directly to them. I had no idea who and what was real because I was lying in a darkened Neuro ICU room with teams coming and going every day (I learned that this is a training ICU and many companies and other hospital staff and visiting staff are involved).

5. The struggles to get my bills paid and the legal help I had to obtain to provide me the needed assistance to get them paid.

Initially, every call or submission was either paid against my deductible or in pending status or marked duplicated. I signed off for the release of my medical records to be sent to MediShare for review. We called and asked many questions. We could not understand that we had paid the deductible to Swedish but they were not giving us that credit. We had to write and fight to get the main hospital bill from Swedish, and it took until August to receive a copy of the diagnosis and events. MediShare had the bill in April but would not provide us with a copy. The amount was \$826,326.34 which was so scary! I had to call on many invoices that came in marked past due and I received collection calls from agencies for other of my providers. I would return the calls and told them that it was with the insurance company in appeal, and I had secured legal counsel. Finally, I had to pay some of the urgent invoices that I could afford to pay in order not to destroy my credit.

6. The problems I and my attorneys encountered trying to get to a real person and information from MediShare.

The hours of being put on hold, sending emails, the misrepresentation were astounding. When I finally reached a real person she tried to force me to give a verbal appeal on the phone without my even having the medical and billing records I authorized the release for MediShare to review

on my behalf but they refused to share with me. My counsel talked with someone and told them that being asked to use a phone call without the records and without a filed appeal was unconstitutional. It was not at all unusual for him or me to be put on hold for 1 hour and then told we would need to call back to another person or to be asked to leave a voice mail that was never returned.

One of my attorneys was in contact with Swedish Hospital and somehow through those conversations was able to accomplish and we learned that my huge bill with Swedish Hospital was paid by a local charity and the Hospital would not be seeking payment from me.,

What was really frustrating was that I found the only way I could obtain information about my bills and what, if anything, MediShare had paid was by going to and through my membership "portal." When my bills were finally paid, I learned that the majority of the payments, except the one to Swedish Hospital, were paid by MediShare to the providers at a negotiated rate. I learned the payment to Swedish Hospital was made by MediShare to CCM. When I contacted (and finally got through to them) MediShare could not explain payments and why Christian Care Ministries had a self-paycheck of \$447,216.23 which was the negotiated amount due to Swedish Hospital versus a payment directly to the hospital. So, we had to fight to get a letter from Swedish that the bill was negotiated and paid in full by a charity. Still, Swedish did not reveal the charity, and we could only assume that CCM reimbursed the charity.

After all the appeals and all their questions, their main legal counsel finally called back and apologized for the 5-6 month delay in responding to my attorney's calls and requests.

During this time I had to log into my portal in order to access the Bill History. I found that MediShare changed the information and would duplicate the bills with another explanation to the point that the original 66 became almost 300 entries, all coded differently and not downloadable into a single spreadsheet. It was not until December 24th that a letter came to my counsel in the mail that the appeal was over but even then it was not clear what would happen with some yet unpaid (smaller when compared with the Swedish Hospital bills) pending invoices. Slowly over a period of 4 months I learned that those bills were getting paid but with no sense of reasoning.

7. The fact I had to continue to pay my "contributions" to be able to access my portal and why I needed that access.

As I've pointed out, this process took what seemed like forever. And during this appeal process, in order to be able to review and see what bills were paid or negotiated, I had to continue, even though I'd found, switched to, and was paying for regular insurance, to pay my member contributions (what I always thought of as my premium) in order have access to my member portal and to be able to view the status of my bills (from March 2020 to-December of 2021), or to be able to speak to anyone about my bills or to share that information with my attorneys.

8. Continuing Care

In addition to all of these problems I was incredibly challenged because I needed to get follow-up care from this life-threatening event but, because the doctors and neurologists had not been paid, they would not see me. So, I had to pay out of pocket for my imaging on my stent MRI and I was only able to talk to the office about whether I needed to continue my prescriptions and have them refilled without a doctor's visit.

I think I was robbed of my needed continuing care at the time MediShare was supposedly processing my claims.

Conclusion

I hope this makes sense and is helpful to you in your deliberations. I'm presenting this because I don't want others to encounter and suffer through anything like my experiences. If I hadn't had the assistance of my attorneys, I don't think I'd ever had gotten through this ordeal or certainly that I'd have had my bills paid.

Dear Senators,

I appreciate you taking the time to listen to my testimony. I represent my family of 8 who currently uses a health-sharing program. My husband is self-employed and has been for over 20 years. Because we are self-employed we have had to find and buy our own health insurance over all these years. We used to buy traditional health insurance, but then about 7-8 years ago we received another price hike such that our insurance premium was going to be more than our mortgage each month! This was for a high deductible plan, so we were paying more than a third of our income on health premiums, deductibles, copays and prescriptions and we were healthy! This made no financial sense nor was it feasible so we explored our options. We found Medishare and are so thankful we did!! Not only was our monthly fee more than 2/3 cheaper than our previous insurance, our annual household portion (equivalent to a deductible) was a third of the cost. We have had amazing service, get to use all the doctors we had been using, our bills have been paid on time and as promised, and they have even paid above and beyond with their extra blessing program. This has saved us tremendous amounts of money.

Furthermore, we felt compelled to change from traditional insurance to Medishare so we could put our personal money into a system that aligns with our beliefs. We don't care how others want to choose to spend their money because we believe in personal choice and responsibility, but we personally cannot pay for abortion, surgeries to remove healthy body parts and other morally wrong procedures and practices. We appreciate living in a country and state where we have the freedom to practice our religious beliefs that we hold to the core.

Lastly, my oldest son is now married and expecting a baby. He and his wife make a meager income and have been using the state exchange. However, they have plans to change soon to Medishare because their experience has been so bad, between messed up withdrawals from their account, lousy customer service and poor coverage on their basic health care needs. They also pay far more monthly than they'll need to with Medishare.

Please make health-sharing programs exempt from insurance mandates and oversight and please support Senator Baisley's bill HB22-1198. These health sharing programs are busy providing an alternative that works well in our broken medical system. Instead of hindering or stopping them, we should be copying their methods and multiplying them in an effort to help remedy some of the brokenness most of us complain about.

Again, thank you for listening, for your time and for your consideration.
Elisha Rentfrow

House Health & Insurance
 04/01/2022 Upon Adjournment
 HB22-1198 Medical Expense Sharing Program Requirements
 Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Beth Roman For Self	<p>To Whom it May Concern,</p> <p>I have been a member of a health care sharing ministry (HCSM) since 2018. We are a community of believers in Christ who share each others' medical needs through our monthly portion contributions, extra contributions and prayers.</p> <p>When I left my job of 25 years to take care of my elderly father, I looked at my options for buying health insurance in the Colorado market place. I was told that I did not qualify for any ACA credits at that time. The options available to me were almost \$600/month with an annual deductible in excess of \$7000, meaning that, if I were to encounter a catastrophic injury or illness, I would have out of pocket costs for the year in excess of \$14,000. That is quite a bit of money for someone who has no income. It just was not a reasonable solution for me, given that my health is good and most of my doctor visits are for routine wellness care, which was not covered in these market place plans.</p> <p>After looking into HCSM, I found that I could keep my primary care doctor and enjoy comparable coverage while also being part of a community that genuinely cares about each other, prays for each other and supports its members in times of need. This has been a much better fit for me. It has allowed me to live by my values and given me the freedom to be available for my dad as he nears the end of his time here on earth.</p> <p>Additionally, I know that I have members of a faith community praying for my health and encouraging me in my efforts to stay fit and maintain a healthy lifestyle.</p> <p>I am extremely grateful to have this choice and respectfully support the passage of HB 1198 which will protect the option to choose an HCSM for current as well as future members.</p> <p>Sincerely, Beth A. Roman Williamsburg, CO</p>
Mary Powell For Self	<p>This written testimony is my STRONG REQUEST for you to vote YES on HB22-1198, "Concerning Requirements for Organizations Operating Medical Expense Sharing Programs in Colorado."</p> <p>This bill has been submitted to protect our First Amendment right to Freedom of Religion and our rights to live our lives in ways that express that religion and beliefs. Medical Expense Sharing Programs ("Programs") have been allowed for many years outside of the definition and regulations of the Insurance Department. They have allowed those whose Biblical beliefs do not support abortion or medical expense coverage for same sex partners, etc., to have a medical expense</p>

	<p>option which supports those beliefs. This is our right as citizens of Colorado and as citizens of the United States!</p> <p>This bill provides for requirements to report CRUCIAL information by the Programs and holds them accountable for best practices for financial integrity and stewardship. The bill requires education of Program potential members so they understand the differences between these Programs and insurance. They provide for an open and accountable relationship with Colorado's Attorney General and establishes enforcement authority over any bad actors.</p> <p>Finally, and very importantly, this bill PRESERVES the religious liberty of Coloradoans to live out their faith under their Constitutional right to Freedom of Religion as they choose how to provide for their families' health care needs, while still adhering to their Biblical beliefs.</p> <p>This bill achieves requirements for appropriate reporting, oversight, education and accountability, without snuffing out the rights of Colorado citizens. It does nothing to take away rights from any other human beings, who have the right to other health care choices that would meet THEIR OWN needs and beliefs.</p> <p>In support of our right to FREEDOM of RELIGION and our rights to live our lives as we see fit in ways that do not impinge on any other human being's rights, I DEMAND that you vote YES on HB22-1198!</p>
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My name is Rebekah Quinlan and I live in Sedalia CO - I support HB22-1198. "Health Cost Sharing", through Samaritan Ministries, has been a gift to our family. Samaritan is a ministry for sharing expenses between Christians. In order to be a member, you have to sign a document each year saying you subscribe to the member approved guidelines which are supported by our Christian faith. **This ministry/cost sharing program is NOT insurance** and there is no transfer of risk. We are still obligated to pay our own health bills and subsequently have the opportunity to submit those bills for cost sharing among like-minded individuals that share the same faith. **It is appropriate to create statute protecting both individuals and ministries at large to clearly communicate their roll and relationship to share health bills as a network for like-minded Christians to carry out our faith by "Bearing one another's burdens and so fulfill the law of Christ" (Galatians 6:2).**

As members of Samaritan Ministries for the past 6 years, all explanation of coverage, cost of share, and allocation of funds within the ministry have been transparent. In the past 7 years, as Samaritan members, we have had two births with all but \$300 shared per birth (they even paid for chiropractic care, a birth doula and offered to help with the cost of massages during my pregnancy). My daughter had major surgery at seven weeks old and every cost was shared and paid. We have had several times where we needed special care at children's hospital and those costs have also been shared and paid. Additionally, I have never had any practitioner turn me away because I do not have insurance – on the contrary, doctor's offices love that they are paid up-front for

services and do not have to work to be reimbursed. **We love having the freedom to choose our practitioners.**

“Health cost sharing” is an extension of our faith and we fully expect the government not to impose unnecessary hardship and discrimination upon our religious beliefs. This bill clarifies the roll of “Health Cost Sharing Programs” and is a benefit to both the individual and ministry as we act out our faith within our communities.

My name is Mike Quinlan and I live in Sedalia, CO. My family and I have been members of Samaritan Health Cost Sharing since 2014. Prior to 2014 we had the best health insurance available to us through my employer Newmark (3rd largest real estate brokerage company in the world). On Samaritan our monthly bill averages around \$525 and virtually everything is paid for. **Samaritan Ministries is not insurance, it's a group of like-minded people who agree to share health care expenses and reimburse each other directly for qualified expenses. Therefore, it is much more affordable, and much more is qualified as a shareable expense as the insurance company is not a middle-man looking to make a profit. Legislature should have zero say in who I choose to share money with, it's not insurance, it's people sharing health care costs and this does not require legislature oversight. Please stay out of the way and let a great system work great on it's own.**

Example 1: The birth of our first child was at Denver Health and cost us \$40,724 on insurance.

Our family cost for Aetna Insurance in 2013 was \$1,977 monthly / \$23,724 annually. Our deductible was \$6,000, 80% coverage thereafter but only for qualified expenses. Our 1st son was born 1/12/14 so we paid 2 deductibles (\$12,000) + approximately \$5,000 of additional costs for the birth out of pocket for uncovered items + \$23,724 in annual insurance premiums = \$40,724.

We've had 2 additional children as members of Samaritan since 2014 with each child's birth being 100% covered including chiropractic charges, doula, and massage was even covered had we elected! Bottom line is we pay approximately \$6,300 in annual contributions to Samaritan members. In this first hand example of having a birth on insurance vs. medical cost sharing it was \$34,000 less for us to share costs. We will not utilize traditional insurance so long as much better options are available to us.

Summary: on the best insurance available to us a healthy birth was: \$40,724 including insurance premiums, deductibles and co-pays. On Samaritan a birth was \$6,300 (annual Samaritan dues only) = Samaritan is \$34,000 per year less for our family when only factoring in an expense such as a birth and excluding all other health events.

Example 2: Our daughter Lydia required a surgery at 7 weeks old which we did at Sky Ridge. The quoted rate for the procedure for someone who had insurance was over \$100,000. We prepaid the actual costs (Only \$7,500) and were reimbursed 100% through Samaritan members.

Summary: Insurance companies understandably need to make a profit. However, their overhead and profit is passed onto consumers through very expensive premiums, co-pays & deductibles. Our experience on insurance is **many items are excluded** from coverage such as chiropractic. Deductibles are paid out of pocket and a percentage of costs is also paid out of pocket. In conclusion, being a member of Samaritan has been a huge blessing and translates to at least a \$20,000 annual savings for our family. Also, knowledgeable and helpful employees actually answer the phone when you call. Receipts can be uploaded through the website and medical expenses reimbursed. Everything has been completely above board and transparent.

Our understanding is 1 or 2 poorly run cost sharing companies have produced bad results for their members and have been shut down. Please do not unnecessarily regulate this as if it were insurance which will drive up our costs and make it more difficult and expensive for Samaritan Ministries to operate in CO.

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