

To Whom it May Concern:

I'm writing this on behalf of the Family & Intercultural Resource Center (FIRC) in Summit County, myself, and all mountain residents of Colorado in regards to the outrageous premiums we pay for poor health insurance through the Connect for Health Colorado program. The amount of money we are forced to pay for coverage that honestly, really only helps in catastrophic situations, puts the majority of us that live in the high country in major financial stress. I, for example, find myself in a scenario of having to cut my monthly costs to a bare minimum and the first cut I will be forced to make is one of the largest (besides mortgage) which is the staggering health insurance premium of \$553.81. In mountain communities it is a struggle to barely get by considering the high cost of living, and I want to continue living here because of everything this beautiful state has to offer. The possibility that I will have to go without health insurance because I could otherwise lose my house honestly makes me lose sleep.

I would like to sincerely thank Colorado state leaders for taking this bill into consideration.

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Senate Committee Hearing HB 1168 – Karen Seater Testimony

Hello, my name is Karen Seater. I moved to Summit County, Colorado in 1987, with plans to stay for a ski season. Thirty-two years later, somehow I am still here and my hope is that I get to stay for another 32 years! During my time here, I have been lucky enough to have been able to purchase a home, marry and start a family. Although I cannot imagine a better place to live, I am finding it increasingly difficult to remain here, primarily due to the unsustainable cost of trying to keep myself and my family insured.

My husband has a life long history of asthma and other lung issues and so I found myself well educated with regard to the complexities and challenges of health insurance. I live and breathe copays, coinsurance, deductibles, out of pocket maxes, networks and so on and so on. For many years, we were able to access health insurance through our employers, but when I was laid off from a hospital position in 2011, we suddenly found ourselves without access to health insurance and the game of trying to keep my family insured, became a full time job for me, literally.

In 2014, I accepted a position as a Health Navigator at the Family & Intercultural Resource Center, a nonprofit in Silverthorne, Colorado. This was the early days of the ACA and the Colorado Marketplace and I was hired to help our community members enroll in various health insurance programs, through a complicated and oftentimes cumbersome system. Over the past few years, I have professionally and personally witnessed the growing health crisis that has been created by the high cost of insurance and health care, in our rural community. Our premiums are some of the highest in the nation, our deductibles and out of pocket expenses continue to rise and the local cost of medical care is far and above, the cost of care in the Front Range. Our current situation is unsustainable for individuals and families.

For this reason, I am testifying in support of House Bill 19-1168, the Reinsurance Bill. Residents of rural communities in Colorado are being crippled, not only by the high cost of living in these areas, but also by the high cost of purchasing health insurance plans and seeking medical care in their communities. Daily, I am faced with the heartbreaking

and difficult task of encouraging people to enroll in health plans that more and more frequently, come with monthly premiums that are often times greater than their mortgage or monthly rent. I watch helplessly, as people are faced with the terrible decision of whether they should cripple themselves financially now (with an unsustainable monthly health insurance premium of upwards to \$2300, in order to purchase a Bronze plan, with a family deductible of at least \$13,000 and out of pocket max of \$15,800, that offers almost no benefits, unless they have a catastrophic medical event), or cripple themselves financially later, when they make the previously unthinkable decision of going uninsured and risk financial ruin, if they were to experience a future medical crisis without having insurance. This is a terrifying decision to have to make, but it is one that our community members are facing, in increasing numbers.

I have seen countless families under guess their income in order to access an advanced premium tax credit, so that they can financially afford to enroll themselves and their families in health insurance, all the while knowing that they will most likely have to come up with thousands of dollars at tax time, in order to pay back the tax credit amount. Without the advanced tax credit however, the monthly premium would have been unaffordable for their family, so they knowingly take this risk. This is especially true for the self-employed, who make up a large percentage of the work force in our mountain community. Their incomes are hard to guess at and fluctuate greatly, causing them to climb over the 400% level of federal poverty, at which point they must pay back, in its entirety, the advanced premium tax credit that they took to help purchase their insurance. For a family of four, this could amount to over \$24,000. Yes, \$24,000!

Over the years working as a health navigator, I have also seen many families caught in the heartbreak of the Family Glitch. This scenario happens when an employer offers coverage to the employee and the employees spouse and dependents, but only subsidizes the employee portion, making the cost to insure the family prohibitive. However, according to the rules of the ACA, the family cannot legally take a tax credit to help purchase a plan through the Marketplace, if the employees portion of the premium is affordable. How does one break that terrible news to the mother of 8 year old twin

girls? How do you logically explain, that because the employer offers the family insurance at \$1200 a month (which is already unaffordable for them), that they cannot take the advanced premium tax credit of \$2300, that they would normally be eligible for in the Colorado Marketplace. How do you make sense of the fact that a mother might have to choose to have her children go uninsured? No one in their right mind would make that decision, yet families in Summit County are making these decisions daily.

On a more personal note, I have experienced many of these issues firsthand and I know how devastating and stressful it can be. Both my husband and daughter have asthma, and need medications that can cost over \$300 per prescription without insurance coverage (sometimes they are that much even with insurance). My daughter has anaphylactic food allergies and would not survive without access to an epi pen, if she were to eat something she is allergic to. She needs one at school and one at home and they expire yearly. The cost for an epi-pen without insurance could run as high as \$600. We experience firsthand the inflated cost of these lifesaving medications and know that we can't ever contemplate going without insurance. Over the years, we have flowed in and out of employer-sponsored coverage, Cobra, CHP, Medicaid and most recently the Marketplace. From year to year, we have no consistency with our carrier, our coverage, or our providers. We are literally backed up against the wall financially and emotionally trying to manage our insurance. We are not unlike many others in Summit and our surrounding Counties.

In the last two years, my family has taken an advanced premium tax credit to enable us to purchase insurance. For the last two years, we have also paid back that tax credit at tax time. In 2017, I paid back almost \$4000 for the tax credit I took and in 2018, I paid back over \$5400. Like other families in Summit County, I frequently contemplate quitting the job that I love, in order to earn less income, so that I can access a tax credit to purchase my health insurance. The current healthcare system heavily penalizes those earning a higher income (which actually barely keeps us afloat in the mountain community) and we frequently wonder whether we wouldn't be better off working less hours, or not working at all, so that we can access financial assistance to help purchase insurance for ourselves and our families.

In conclusion, I can truthfully state that health insurance (purchasing it and keeping it), has become one of the biggest stressors for individuals and families living in Summit County and the surrounding counties. With the yearly increase in premiums, deductibles and out of pocket maximums, I have seen it become more and more difficult for individuals and families to stay insured, especially if you are over 400 % of poverty. If you are lucky enough to be eligible for an advanced premium tax credit, (I say lucky, but that just means that you are not earning anywhere near enough income to sustain living in a mountain community), you might just be able to afford insurance. If you make too much money to access tax credits, even just \$1 over the 400% line, you may end up paying up to \$2500 a month in premiums, to keep your family insured. More than likely, you will choose to go uninsured. Please tell me how this is fair or just.

The current situation is unsustainable for families and individuals living in our rural communities. The cost of healthcare is breaking us financially and House Bill19-1168 would go a long way towards making insurance a bit more affordable for us. Please pass this bill. Our Community is in a state of crisis!

Sincerely,

Karen Seater

April 18, 2019

Re: HB19-1168

Dear Members of the Health and Human Services Committee:

My name is Lorna Marchand. I work for the Family and Intercultural Resource Center in Summit County, which is in Senate District 8. I am submitting this letter in support of HB19-1168, the Colorado Reinsurance Waiver Program Bill.

Summit County is a recreational paradise. The county is home to four world-class ski resorts, miles of paved bike trails, millions of acres of unspoiled wilderness, and six municipalities. Each year thousands of tourists come to Summit County to ski, snowboard, hike, bike, fish, and enjoy the breath-taking beauty of Colorado's premier outdoor destination. But the lucrative tourism industry in Summit County also depends heavily on the small population of residents who live and work full-time in our community. Summit County residents work in the service and tourist industries at ski areas, restaurants, bars, retail stores, and outdoor suppliers. They operate small businesses that plow condo parking lots, tune-up skis, and provide lodging to out-of-town visitors. These residents are the heart of our community, and without them, our thriving tourist industry could not function. Many of them work in seasonal positions that do not offer employer-sponsored health insurance.

Unfortunately, Summit County's cost of living is untenable for most working people. In addition to higher food and housing costs, health insurance premiums are higher in Summit County than anywhere else in the nation. It's ironic that our community nominally embraces the idea of a "healthy, active lifestyle," while making that goal unattainable for the average working person.

As a Health Coverage Guide at the Family and Intercultural Resource Center, I get to interact with Summit County's working people every day. I hear their stories and witness firsthand their struggles to live and work in our community despite the high cost of living...especially the high cost of healthcare.

I recently spoke to a local small business owner who operates a self-service car wash in Silverthorne. He told me that he had made the decision to move out of the county specifically because his health insurance premium was over \$1,000/month. Another is struggling to maintain his landscaping business while paying almost \$700/month on the marketplace. Many others cannot afford insurance, and take their chances with being uninsured, or don't seek treatment for injuries and illnesses.

This is not a sustainable way of life. Collectively, we need to find a solution to out-of-control health care costs, especially in our mountain communities. I ask you to vote YES on HB19-1168. Thank you.

Hi, my name is Brynne Goldberg and I am here today in support of Governor Jared Polis and to testify in support of the Reinsurance Bill.

I have been living in Colorado since 2012 and became a Breckenridge local in 2014. I currently work full time as a marketing specialist for a small locally owned real estate company. I am also in graduate school full time working towards earning a degree in Clinical Mental Health Counseling in pursuit of becoming a Licensed Professional Counselor and helping heal my fellow Summit County locals. Neither my employer nor my school provides health care coverage.

Like many, I have been struggling to afford appropriate Health Care since turning 26. I work full time so that I can afford to better myself, my life...and hopefully in the future...the lives of those in my community. But, of course, I also work full time to be able to pay my bills, like my monthly health care premium, which, with my subsidy, has been between \$200 and \$300 a month with a \$7000 max out of pocket. Regular doctors' visits cost me about \$200 a visit, prescription medications cost about \$40 per medication, and any other type of medical treatment is charged at the full amount. For me, these cumulative costs do not go unnoticed month to month. However, I am grateful to at least be receiving a subsidy, because without it, these costs would be double or more.

Enduring the stress of managing a full time job, a full masters level course load, a clinical internship, and whatever semblance of a social life I have, is bearable because I know what my future will hold. But, the thought that any, even minor, accident or illness could derail all that I've been working so hard for, and unravel me financially, is a more difficult stressor to bear. I try not to focus on those thoughts, yet they become unavoidable when I'm faced with the decision to either receive appropriate medical attention or save myself the hundreds, or even thousands, of dollars in medical expenses in order to save more money for school, rent, food, and those other life necessities.

Yet, this fear became a harsh reality last year after a brief trip to the emergency room. I was in the ER for about an hour for severe abdominal pain and I received an IV of fluids, pain relievers, and a blood test and was charged nearly \$8000. I was initially apprehensive about going to the ER because I was concerned about the associated costs. But, I never would have gone had I known it was going to cost me almost my entire savings, regardless of the potentially negative, or life threatening, consequences of my illness.

Thankfully, the FIRC helped me obtain emergency assistance to pay for the costs and saved me from financial depletion. I've since reevaluated my financial priorities and have been forced to place medical care low on that list.

This means not making doctors appointment to receive routine care. This means forgoing regular optometrist appointments. This means debating endlessly with myself over the worthiness of seeking mental health care. This means not seeing a dermatologist in over 7 years. And it also means sacrificing appropriate obstetric and gynecological care.

Ultimately, this all means chancing my health in order to save money now. But by doing so, am I going to inevitably be paying for it later?

I stand here today to ask the Committee to support this bill because it would mean so much to me, and my fellow community members, to be able to rest assured knowing we won't have to continue to ask ourselves, "How much is my mental and physical health worth to me?"

Senate Committee Hearing HB 1168 – Elise Neyerlin Testimony

Hello, my name is Elise Neyerlin. In October 2015, I moved to Silverthorne, Colorado, which is in Summit County. In August of 2016, I accepted a position as a Health Navigator at the Family & Intercultural Resource Center, known as the FIRC. Today I am the Health Coverage Program Manager at the FIRC. In my almost three years as a certified health coverage guide, I have personally assisted 793 individuals with the health insurance application and enrollment process. The true stories I have heard from community members over the years, and continue to hear, around health insurance affordability, is nothing short of heartbreaking.

I am testifying for House Bill 1168, the reinsurance bill. Residents of rural Colorado are desperate for relief around the high cost of health insurance premiums and cost of care. I'd like to share with you today what I see community members struggle with first hand.

My team and I often work with residents who are employed in positions that support our local resorts, for example: servers in the food industry, seasonal resort employees, fishing guides, ski instructors, contract employees, and construction workers. These are the people that keep the economy of the Colorado mountains thriving. These are people who make too much money to qualify for Medicaid, and often make too much money to qualify for a substantial tax credit, or a tax credit at all. I will always remember working with a young couple, pregnant for the first time, who did not qualify for any advanced premium tax credit and were facing a monthly premium of over \$600/month. They made the difficult decision of going without insurance during her pregnancy. She is a server and he is a contractor who provides handyman services for a local Homeowners Association.

I also work with individuals who have retired, or have significantly reduced their working hours, and are not yet 65, so they do not yet receive Medicare. One couple I assisted pays \$2,000 a month for a Silver Plan on the marketplace. Another woman I worked with in this situation pays \$1,200 for an Anthem Silver Plan on the marketplace to cover herself. These are people who are using their retirement savings to purchase high deductible health insurance plans.

The last example I will leave you with is a family of five I have worked with each year to ensure the continuity of their health coverage. The mother is a realtor and the father is self-employed – he owns a relatively successful cleaning business. They have three young children and they qualify for a very small tax credit. Since they are self-employed, they always run the risk of having to pay back their tax credit at tax time if their income was over their predicted amount. This family pays \$822 a month for their families' health insurance. After childcare, rent, and utilities, this family is just making it to pay for health insurance.

I plead you to pass this bill to provide relief to community members who can no longer afford \$7,150 deductibles and bank breaking premiums over \$500/month. The cost of living in Summit County is already prohibitively expensive, and any savings to improve stability – saving for a down payment, for education plans – is shot when families are spending their disposable income on health insurance. It's not fair to keep asking hard working individuals and families to keep making this decision between insuring their health and making ends meet.

Thank you for your time and serious consideration.

Sincerely,

Elise Neyerlin

Members of the Senate Health and Human Services Committee,

My husband and I moved to Summit County 2 years ago after a major flood in our Denver home. We decided the "good life" in the mountains would give us a better quality of life with more time, freedom and money to do the things we love. We also "assumed" the cost of living in a small mountain town vs. the suburbs would mean less expenses.

We are both self-employed so expenses are all on us, including our Health Care.

When we changed our permanent address to our condo in Summit County our Health Insurance options went from vast to 3 and our monthly cost options skyrocketed to \$2500 a month just for the 2 of us who initially only go to the Doctors for our annual check ups! So we spent \$30,000.00 Before Taxes on Health Care our first year in Summit County!

We were able to change providers this year and accept a very high deductible in order to reduce the monthly to approximately \$1800 a month.

That is \$21,600.00 a year before Taxes and does not include the several thousand dollars we spend out of pocket to meet the deductible or cover non covered expenses.

I want to re-iterate this is solely for my husband and I, although our daughters are both under the 26 year age limit to be on our policy, we took them off our policy to reduce that cost, so our frustration goes beyond our own situation to those families with young children who are now in a situation where this is just not affordable.

It isn't right to make decisions on whether to have a test done or a treatment done that is not covered by Health Care especially when you are spending \$1800 a month!

We hope this bill gets a close look and that we shouldn't be punished for choosing to living a "healthier life style" with higher health care costs.

Regards,
Karen & Jeffrey Pearl



To Whom It May Concern:

My name is David Preaus and I live in Silverthorne and own a business in Breckenridge. As a resident of Summit County since 1992 I have endured the struggles of many of our residents to survive in Summit County. Initially as an individual without a family I struggled with the cost of housing. It was difficult but I could make it work. As I grew roots in our community and started a family I began to realize the incredible cost of day care in our community, but again we worked hard and made it work. Now as a business owner with five employees and a father of three I continue to face the astonishing cost of healthcare.

As a responsible business owner, I feel it is my duty to provide healthcare benefits to my employees. About five years ago as I saw our individual insurance rates reach astronomical levels for my family, I began to research small group insurance to provide relief for myself as well as offer a more affordable option for my employees. That year we were able to offer some relief as small group rates were less than what was available in the free market. The next year that changed as group rates increased and the insurance company I used pulled out of the market. This was the beginning of a pattern as every year rates continued to increase and providers would pull out of our market. I hit the breaking point last year when I was paying \$1,800 a month to cover my family in a Bronze program with a \$13,000 deductible. My insurance broker found a cost share non traditional insurance program that cost about half, so I decided to try that this year. It was going great until last week I got a call saying that they were no longer providing service as of May 1st.

I have realized for some time that insurance has reached a critical point in our community. I understand how everyone is one car wreck away from being financially devastated, as my wife was in a car accident on I-70 and in St Anthony's and Craig Hospital for 5 months. Our current insurance rates are putting the majority of our community at risk.

There is a common story about people who moved to the mountain that goes something like this "I moved to the mountains for the winters but stayed for the summers." Unfortunately, it is now ending with "and I left because I couldn't afford health insurance."

As a concerned citizen and small business leader in our community I support any efforts such as HB19-1168 to help relieve the burden of insurance costs we face today. I am actively involved in our local Peak Health Alliance and serve on the board as something needs to be done today. Small business should be able to provide health insurance as a basic benefit, but most are unable.


David Preaus

Owner, Creative Cabinetry