



**Wichita Independent Business Association**

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*THE VOICE OF INDEPENDENT BUSINESS*

**House Committee on Health and Human Services**

**Testimony in Support of HB 2287**

**By: Natalie S. Bright**

**February 12, 2009**

Chairman Landwehr and honorable committee members:

My name is Natalie Bright, and I am the governmental affairs consultant for the Wichita Independent Business Association (WIBA). As a representative of organizations charged with the mission to promote a strong business environment in Kansas, I am here as the voice for more than 1,000 business members from across the state of Kansas and can assure the rising cost of health care insurance is the top concern for our members. Thank you for the opportunity to submit testimony in favor of HB 2287, which provides for small employers not offering health insurance to their employees, the option of contributing to an employee's individual policy through a section 125 plan.

The members of WIBA support HB 2287 because it proposes another tool that may be used by employers to assist their employees in obtaining health care insurance. Health Reimbursement Accounts (HRA's), under current law, are attractive to employees because they deposit pre-tax dollars and use those dollars to pay for health care expenses. Under existing law, employers are denied the option of contributing dollars to their employees HRA's. HB 2287 would remove this restriction and allow employers to deposit dollars into an employee's HRA account, affording the employee the benefit of leveraging both contributions towards the premium of an individual health care policy. HB 2287 will give employers and employees an additional choice, which we believe is what is needed in the health care arena. It also fosters additional individual choice and control over one's health care insurance, which we believe is a necessity in ultimately reducing health care costs.

There is concern that passage of this bill might circumvent the small group market and we would offer that this is a legitimate concern. However, we also recognize that if we are going to reduce the cost of health care, we need to be willing to try new approaches.

As we have said in all the testimony we have presented to you this week, the 2009 Legislature has a tremendous opportunity to identify and explore market-driven solutions that will help keep health care costs down – and coverage rates up. WIBA is committed to working with Kansas Legislators to find market driven solutions that assist employers with providing health care to their employees and urge your support of HB 2287. We look forward to working with lawmakers in developing the best possible options and outcomes for all Kansans. Thank you for the opportunity to share our position with you.