



**Kansas Restaurant and Hospitality Association  
House Insurance  
Scott J. Schneider J.D.  
Supporting Testimony  
House Bills 2058, 2057, 2056  
Wednesday, January 30, 2019**

Mr. Chairman and members of the committee, the Kansas Restaurant and Hospitality Association supports House bills 2058, 2057, and 2056. These bills clarify the conditions under which a small business qualifies for an Association Health Plan.

The Kansas restaurant industry employs over 137,000 people and nearly one half of every dollar spent on food in Kansas is through one of our member businesses. Our association provides solutions to our industry for everything from food safety training to our self-insured workers compensation fund.

Small businesses with 2-50 employees desperately need access to insurance and healthcare that comes along with the benefit. We believe any action allowing our members access to our fully-insured health plan offered by the National Restaurant Association would be a major benefit for our employees.

I have attached the National Restaurant Association's insurance plan description. This is a different plan than has been previously discussed. The fully-insured, ACA compliant plan is already being offered in 34 states and without passing this series of bills, Kansas restaurateurs will continue to be excluded.

When Kansas passed the previous Association Health Plan law the KRHA hired insurance consultants and actuaries to determine if an intrastate plan was a viable option. We concluded the take rate was too high to justify the risk. This national plan overcomes many of the road blocks identified and we can create a better pool an industry members who desperately need a better insurance option. These bills, will directly help hard working Kansans have greater access to insurance and healthcare.

Additionally, we have concern placing a non-insurance product into an insurance bill may confuse the Kansas consumer. When industry confusion exists in a shared risk financial instrument like insurance, then consumer confidence may also wane.

Thank you for your consideration of this legislation.