



March 7, 2018

The Honorable Ed Hernandez
State Capitol, Room 2080
Sacramento, CA 95814

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SUBJECT: SB 910 (HERNANDEZ) SHORT-TERM LIMITED DURATION HEALTH INSURANCE— OPPOSE UNLESS AMENDED SENATE HEALTH COMMITTEE

Dear Senator Hernandez:

The California Association of Health Underwriters (CAHU) must respectfully **OPPOSE UNLESS AMENDED** your **SB 910**, as amended March 5, 2018, which would prohibit the sale of short-term limited duration health insurance in California even in circumstances that would leave a consumer without any other coverage options.

While CAHU agrees with the intention of ensuring that California consumers are enrolled in comprehensive coverage, this bill will likely result in a number of unintended consequences. Short-term limited duration policies can be purchased outside of the open and special enrollment periods, and is at times a consumer's only option. For example, under **SB 910**, if an enrollee's coverage is dropped due to failure to pay their premiums, they would be forced to go without any coverage until the next open enrollment period which may be months away. This is because coverage that is lost due to failure to pay is not a qualifying event for special enrollment periods.

SB 910 removes a critical tool for coverage and leaves affected individuals with no option other than to utilize costly emergency services should any medical need arise. We would respectfully request consideration of amendments making these plans available to those who are otherwise legally prohibited from purchasing comprehensive coverage and limited in duration until the next open enrollment.

CAHU is the state's largest association of health insurance agents, brokers and other health insurance industry professionals. Our members help millions of individual Californians and businesses evaluate, select, purchase and use their health care coverage plans, resulting in greater health and financial security. CAHU agents and brokers also act as advocates for policyholders and their families when coverage disputes arise. CAHU is proud of their role in the significant gains California has made in reducing our state's number of uninsured over the past several years.

For these reasons and more, CAHU must respectfully **OPPOSE UNLESS AMENDED SB 910**. To reach Faith Lane, call 916-441-5050.

Sincerely,

Faith Lane

On behalf of the California Association of Health Underwriters

cc: Chair and Members, Senate Health Committee
Teri Boughton, Consultant, Senate Health Committee
Tim Conaghan, Consultant, Senate Republican Caucus