



March 29, 2016

The Honorable Ed Hernandez
Chair, Senate Health Committee
State Capitol, Room 2080
Sacramento, California 95814

Michael D. Belote

Dennis K. Albiani

Julianne A. Broyles

Lexi Purich Howard

John F. O'Malley

Ralph F. Simoni

**SUBJECT: SB 923 (HERNANDEZ) HEALTH CARE COVERAGE: COST SHARING
CHANGES - SUPPORT
Senate Health Committee
Set for Hearing: March 30, 2016**

Dear Senator Hernandez:

The California Association of Health Underwriters (CAHU) is pleased to **SUPPORT** your **SB 923**, as introduced, that provides a sensible clarification to current law.

CAHU SUPPORTS SB 923 that makes clear that, in the individual (grandfathered and non-grandfathered) and non-grandfathered small group markets, a health care service plan contract or health insurance policy that is issued, amended, or renewed on or after January 1, 2017, may not change any cost sharing requirements during the plan year or policy year. The only exception is for when a change is required by a change in state or federal law. **SB 923** defines cost sharing as any copayment, coinsurance, deductible, or any other form of cost sharing by the enrollee other than the premium or share of premium.

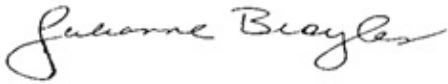
No one likes to be presented with a higher charge than what was originally agreed to in a policy or contract. CAHU believes the language in **SB 923** protects those who purchase coverage for themselves or for their small business from unexpected price changes during the term of the contract.

The California Association of Health Underwriters represents California's licensed health insurance agents. Our licensed members provide reliable insurance advice, act as the consumer's advocate when dealing with carriers and provide a number of essential services relating to the individual and group insurance coverage and obligations post-enrollment, all at no cost to the consumer. Our members also act as a trusted and effective marketing and distribution channel for health insurance information for all consumers and potential consumers of health care insurance coverage.

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CAHU looks forward to working with you and your staff in **SUPPORT** of **SB 923 (Hernandez)**.

Sincerely,

A handwritten signature in cursive script that reads "Julianne Broyles".

Julianne Broyles
On behalf of California Association of Health Underwriters

Cc: Members, Senate Health Committee
Donna Campbell, Office of the Governor
Teri Boughton, Senate Health Committee
Joe Parra, Tim Conaghan, Senate Republican Caucus