



## **HB 2703**

February 26, 2019

House Committee on Health Care

Madam Chair and Members of the Committee:

I am an independent agent operating out of Roseburg for the last 36 years in life, health, property and casualty insurance. I have extensive experience with health insurance, spending a lot of my time as agent with individual health plans and occasionally short term medical plans. I am opposed to HB 2703 in its current form.

Since short term medical excludes pre-existing conditions, this is not a great product for the consumer, though significantly lower cost than that of a major medical (or ACA compliant health plan). Any claim arising during the policy period will then be excluded upon renewal. Due to the tempting low-cost, the consumer can easily be enticed from a full coverage medical plan to a short term medical plan.

Erosion of the number of insureds in an ACA compliant health plan from migration to a short term medical plan will help to destabilize Oregon's individual market with fewer left in that risk-pool, potentially causing catastrophic collapse of Oregon's individual market.

These factors (existing conditions become excluded upon renewal of a short term medical plan, and migration of potentially "healthy individuals" from a qualified ACA plan to a STM) will at the least increase the cost of a qualified health plan, if not start to destabilize Oregon's individual health plan market.

I ask you to vote no on HB 2703. Thanks for your consideration.

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