

From: [Lance Barnwell](#)
To: [HOLMAN Jeannette * DCBS](#)
Cc: [Teresa Gaunce](#)
Subject: HB 1624 and OR HB 2466
Date: Friday, October 09, 2015 1:23:11 PM

Hi Jeannette,

After attending yesterday's meeting I would like to ask that division to also consider the impact on those employers (50-99) that are currently in transitional relief but will be purchasing a plan 1-1 to avoid the play or pay penalty. In my experience most of these employers are in the hospitality, agriculture and service industries. These industries tend to have better demographics and will be greatly impacted.

For example, we are working with a large landscape company that will be implementing benefits 1-1 in order to avoid the penalty. When requesting proposals from the various insurance carriers we requested bids for 12-1 and 1-1 effective dates. There was an astonishing 80% difference should they wait until 1-1 and go into the 2-99 market! Should the division decide to continue with this transition the employer in question will be forced to implement a plan 12-1. While this is not all bad I would ask that you consider what the future ramifications to the employees. Come 12-1-16 there is no doubt they will be forced to make drastic plan design changes. In addition to these changes they are most likely going to consider hiring more part time employees rather than full time to reduce cost. All of this will have a negative impact on the employees.

By holding off in the transition the insurance carriers will have time to assess the incoming groups and their utilization. This can only help in providing stability to the market and future transition.

Regards,

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