

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF KANSAS**

In the matter of the Conversion and Acquisition
Of Blue Cross and Blue Shield of Kansas Inc. Docket No. 3014-DM

Prefiled Testimony of Dawn M. Touzin

I am Dawn M. Touzin. I direct the Community Health Assets Project at Community Catalyst, a Boston-based national advocacy group working to build consumer and community participation in the decisions that shape our health systems. The Community Health Assets Project (CHAP) is a joint effort of Community Catalyst and the West Coast Regional Office of Consumers Union. CHAP helps communities protect and preserve health care services and the financial assets of nonprofit health institutions undergoing change. The Project equips consumer groups and communities with the legal skills and technical expertise needed to intervene effectively as health institutions make business and organizational decisions that affect community health services or provide opportunities for community involvement to increase access to health care.

Through CHAP, Community Catalyst and Consumers Union have helped local and state-level health care advocates to intervene in Blue Cross Blue Shield transactions, major hospital conversions, HMO market withdrawals, health care bankruptcies and receiverships in over 30 states. Working with consumer groups, regulators, elected officials, and other public health advocates, the Project has helped to preserve close to \$15 billion nationwide in formerly nonprofit health institution assets, ensuring that those assets will continue to be used for community health needs.

Prior to joining Community Catalyst, I was the Health Law Coordinator at New Hampshire Citizens Alliance (NHCA), where I advocated on behalf of the state's health care consumers in a range of administrative, judicial, and legislative forums. In that role, I formed and led a coalition to challenge the sale of New Hampshire's non-profit Blue Cross Blue Shield plan to Anthem Insurance, an effort that succeeded in winning important consumer protections as part of the terms of the conversion.

In addition, I have focused on: HMO accountability, helping to persuade the state to mandate external grievance reviews of coverage denials; on Community Benefit requirements for health institutions, an effort that led to passage and implementation of New Hampshire's Community Benefit Law; and on health care quality and access, working on issues such as mental health parity and prescription drug costs. I chaired the state's Legislative Task Force on Certificate of Need Processes after the governor appointed me to serve on that body. I am also an Adjunct Law Professor at Franklin Pierce Law Center.

My testimony will concern specific conditions that the Kansas Insurance Commissioner should place on Anthem as a condition of her approval of the conversion and acquisition of BCBSK.

From my professional experience, specific interaction with Anthem in other states and my knowledge of the problems that have arisen for consumers I believe that it is imperative that the Kansas Insurance Commissioner take specific measures to protect the health care and health care administration of Kansans.

Among the conditions that I will discuss at the hearing are:

- 1). The Medical director must be licensed in Kansas and be located in Kansas.
- 2). That BCBSK medical policies and criteria for medical necessity remain in force.
3. That Anthem BCBSK will maintain sufficient providers to serve all areas of the state.
4. That the Kansas Insurance Department must approve of any reduction in service area.
5. That KID must be notified when a Kansas Hospital or physician hospital organization terminates its contractual relationship with Anthem BCBSK.
6. KID must be notified, six months in advance, if Anthem BCBSK decides to terminate a product, unless the law specifies another time period.
- . That Anthem BCBSK will continue to offer small group and individual policies.
8. Mandatory access to Anthem documents
9. Other conditions should be considered as a result of the testimony at Formal Public Hearing.

During my testimony I will expound on each of these points as well as others and explain why conditions are necessary and important for the citizens of Kansas.

Respectfully submitted,

Dawn M. Touzin