



Kansas Insurance Department

Sandy Praeger

COMMISSIONER OF INSURANCE

FOR IMMEDIATE RELEASE

February 3, 2006

For more information, contact:

Charlene Bailey

Public Information Officer

785-296-7807

Sandy Praeger to Push President's Health Care Agenda

TOPEKA, KS – Kansas Insurance Commissioner Sandy Praeger applauds President Bush for taking on one of America's biggest domestic problems, health care.

"The rising cost of health care services and the affordability of health insurance are inextricably linked and solutions have been elusive," commented Commissioner Praeger. "Increasing consumer awareness of the costs of health care choices can play a role in reducing unnecessary costs. Health savings accounts can help create that awareness when consumers have access to understandable information about the price and the quality of the care they are purchasing with dollars from their accounts."

Included in the State of the Union speech this week, the President called for expanded tax advantages for individuals who set aside money in a health savings account and purchase a high deductible policy. These are the same advantages that employees in employer-sponsored plans enjoy. Commissioner Sandy Praeger has been an advocate for HSA's and is pleased to see the President offering suggestions to make them even more attractive.

Another element in the President's plan that Sandy Praeger supports is providing grants for innovative programs at the state level to find ways to address the high costs of the chronically ill. The President's budget includes \$500 million to encourage states to test new ways to cover the costs of these individuals. He is proposing that up to 10 states be selected as pilot projects.

"We have to find ways to insulate the other employees, especially in small companies, from the high health care costs incurred by one or two individuals in that group which drive up the insurance premiums for everyone else," explained Commissioner Praeger. "I look forward to working with our high risk pool board members, the Business Health Partnership and the legislature to see if Kansas can be one of those pilot states. We have already done some preliminary work on just such an approach that may qualify," she added.

As Vice-President of the National Association of Insurance Commissioners she is also encouraged by the work of the U.S. Senate Health, Education, Labor and Pensions (HELP) under the leadership of Senator Michael Enzi (R – WY). The NAIC leadership has worked with Senator Enzi and his staff for several months to find an alternative to association health plans. His plan allows for certified associations to sell insurance to their members, but would require that these insurance products be state licensed and regulated.

“As with all legislation the devil is in the details, but I am encouraged that we continue to have a very open dialogue and appreciate that our suggestions are being considered seriously,” Commissioner Praeger explained.

Commissioner Sandy Praeger remains committed to tackling the affordability of health insurance for Kansans and is encouraged by the President’s speech and the additional work in Congress.

“Working together with state leaders across the country and with our federal partners we can find appropriate and sustainable solutions.”

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About the Kansas Insurance Commissioner

Sandy Praeger, Kansas Insurance Commissioner, oversees the activities of the Kansas Insurance Department (KID) which is headquartered in Topeka, Kansas. The overriding objective of Commissioner Praeger and KID is to protect consumers, and help maintain the financial stability of the insurance industry. KID regulates and monitors the activities of 23,000 resident agents, 48,000 non-resident agents and 1684 insurance companies licensed to do business in the state of Kansas. The Department offers financial, actuarial, legal, computer, research, market conduct and economic expertise. Visit www.ksinsurance.org for more information.