

**Testimony of Julie Henriksen**  
**Before the House Committee on Energy and Commerce**  
**Subcommittee on Oversight and Investigations**  
**“Premium Increases by Anthem Blue Cross in the Individual**  
**Health Insurance Market”**  
**February 24, 2010**

Good Morning Chairman Waxman, Chairman Stupak and members of the Committee.

I am honored and more so, extremely encouraged with the invitation to come before this subcommittee to present my real life situation regarding the most recent premium rate increase of my Anthem Blue Cross individual health insurance policy. The newfound urgency and the spirit of determination with which these hearings are taking place give me a tremendous amount of hope that the issue of health care reform is going to remain an enormous focus of attention until a solution is found satisfactory to all.

A little about myself and my particular case.....I am 54 years old. I have two teenage sons. Keaton who just turned 18 years old and is heading to college next year and Britton who is 16 years old, a junior in high school. I am self-employed as a consultant in the field of architecture and interior design specializing in Hotel design. I have worked continuously in this field for approximately 27 years now. I make fairly good money and both my boys attend private school. I have held a Blue cross individual family policy since owning my own small business.

My current policy is called a PPO share plan designated with a \$1500 dollar deductible. My monthly premium is \$ 1,042 covering the three of us. Dated January 26<sup>th</sup>, I received a letter with a booklet attached stating that on March 1<sup>st</sup> of this year my monthly premium would be raised to \$1,352 for the same policy. This is an increase of \$310.00 per month...or a 29.8% increase. Just to clarify, my current policy states that I must meet an annual \$1500 deductible for each two members of my family, which totals to \$3,000 and an annual out of pocket expense of \$4,500.00 for each two members of my family which totals to \$9,000 in addition to the yearly premium of \$12,504.00. I have to tell you that we never even meet the deductible each year. All three of us are lucky to be very healthy.

But what is most concerning to me is that I am held somewhat captive in this policy since my younger son, Britton was born with a heart condition. Not discovered until age 3, he was born with a small hole in his heart, about the size of a dime, between his right and left atrium. In addition, he has a condition called a “cleft mitral valve” which means that the flap that opens and closes to allow blood to flow from atrium to the rest of the body does not shut properly, rather it swings back into the atrium and in so doing allows a small amount of blood to flow back into the heart with each beat. he had surgery when he was 3-1/2 years old which repaired the hole in his heart. At the same time, the mitral valve was corrected to the extent that it is categorized as a mild leak. The flap of the valve needs to move back and forth so it can only be cinched so far to correct the leak. He is seen by a pediatric cardiologist once a year for an ultrasound and echocardiogram just to make sure that the leak has not changed from mild to moderate or severe. He is extremely healthy and is in no way hindered with any symptoms or restrictions when it comes to sports, exercise, etc. In fact, he is on his school’s tennis team and has played sports of all kinds all his life.

The reason that I am held captive, so to speak, is because he has, in insurance terms, a “pre-existing condition.” Sadly, I am allowed the so-called “privilege of staying with Anthem Blue Cross and paying exorbitantly unreasonable premium rate hikes each year until I can’t pay them anymore!

In the same written notice by Anthem, I was offered a downgrade to my policy to an annual \$2500 deductible for each member with a \$5,000 annual out of pocket amount for each member at a cost of \$ 1,089.00 per month, an increase of \$47.00 to my current \$1,042 premium amount. I am allowed to

downgrade until the term Change in Policy takes place and then involves the act of underwriting which I do not want to happen.

I should note here that if I were to accept this new monthly premium of \$1,352.00 thereby retaining my same current policy, this amount would be shy just \$92.00 of my monthly home mortgage payment. (which I refinanced this past summer).

What worries me most is....."What will it be like for my son when he is 22 years of age and I am no longer able to claim him as a dependent on my taxes?" "Will he be excluded from any kind of policy because of this unforeseen heart condition when he was born?"

I must tell you that I have never written to any government officials or office before this, and I thought my letter just another amongst many in the storm of shock and outcry about Anthem's premium increases. But, I felt so compelled to do so for the very reasons stated above and the fact, that in this economically depressed environment, I find the act of Anthem Blue Cross raising premium costs to individual policy holders by such high amounts truly unconscionable. Not to make light of the situation but if I were to send out a letter today, in my industry, stating that I was raising my hourly consultant rate by almost 30% I would not be working!

To conclude I find that even with all the disagreements in congress regarding the latest health care reform proposals, amazingly, I really still do have a positive outlook that our government officials can come up with a workable solution to the obvious and urgent need to change the direction of health care in this country.

I thank you for this opportunity to be heard.