



Written testimony presented to the
House Agriculture Committee -
March 2, 2023

Good morning, Chairman Thomas, and members of the House Agriculture Committee.

My name is Jeffrey Missling. I serve as Executive Vice President and CEO of North Dakota Farm Bureau. I rise this morning to ask for your support of Senate Bill 2349.

As some of you know, NDFB has a long history of offering property and casualty insurance to members through Nodak Insurance Company and its team of career agents, customer service representatives and sales associates.

Since 1942, NDFB has been working to strengthen agriculture and the lives of North Dakotans through advocacy, education and service. Today, NDFB member-families live and work in each of our state's 53 counties. Many of these families produce food, fuel and fiber to support local economies and work to add value to agricultural products that are exported around the world.

For many years, our members have asked us what we can do to help them temper the tremendous burden of healthcare coverage. We know that access to quality, affordable healthcare coverage is a source of anxiety and stress for many rural North Dakota families.

According to a U.S. Department of Agriculture-funded study conducted approximately five years ago, "lack of access to affordable health insurance is one of the most significant concerns facing American farmers and overlooked risk factor that affects their ability to run a successful enterprise. The study found that health-related costs are a cross-sector risk for agriculture, tied to farm risk management, productivity, health, retirement, the need for off-farm income and land access for young and beginning farmers."

Even more concerning was the fact that two out of three farmers and ranchers reported having a pre-existing health condition. With the average age of a farmer/rancher of 58 years, farmers and ranchers are also vulnerable to higher insurance premiums due to age-rating bands.

I continue to hear our member-families talk about the need for off-farm/off-ranch employment in order to receive health insurance benefits. I also routinely hear from members who are paying premiums of \$1,500 to more than \$2,000 per month to access health insurance coverage for those who have no access to off farm/ranch employee health benefits.

There is a segment of North Dakotans who are not eligible to access health insurance through a spouse or employer, fall above the income cap for government assistance through the Affordable Care Act (ACA) exchanges, and/or struggle to find affordable coverage in meeting their needs. We understand that over 7% (over 50,000) of North Dakotans remain uninsured.

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What we are asking for in Senate Bill 2349, is the opportunity to address a critical need for our member-families that have fallen through the cracks – to offer them an affordable option that will provide coverage, and ultimately, peace of mind, for their families.

Passage of Senate Bill 2349 would allow NDFB to offer a healthcare coverage product to our members without being subject to regulation as insurance. Having said that, NDFB is committed to working with the North Dakota Insurance Department to provide whatever information is required to ensure we are complying with the law while offering a quality product to our members. Additionally, NDFB is also committed to partnering with a third-party administrator that is licensed in our state and has experience offering healthcare coverage and resources to ensure claims are properly handled and success is achieved.

North Dakota Farm Bureau is not the first state Farm Bureau to offer this type of product to its members. Tennessee Farm Bureau has offered this type of product to its members for more than 70 years, while other Midwest states including Iowa, Indiana, Kansas (and most recently South Dakota) have also passed similar legislation that has allowed them to offer these products to their members, as has Texas Farm Bureau.

These aforementioned state Farm Bureaus have shared some of their experiences with us, and we now know that: (1) on average, plans utilized by other participating state Farm Bureaus provide coverage to 90% of members who apply for coverage, (2) all major illnesses and conditions are covered, just like every other health insurance plan, and (3) these plans are comparable if not better than most ACA plans from a benefits and coverage perspective.

Market data from these participating state Farm Bureaus demonstrates their Farm Bureau health plans have little to no impact on the ACA individual market. In most situations, the types of member-families that would participate in our plan are either: (1) over the ACA premium threshold and are uninsured, or (2) in an employee plan and are leaving that to become self-insured or because they don't need the health coverage anymore.

The way this bill is written, similar organizations who meet the criteria in this legislation could offer similar products to their members.

In closing, access to reliable, affordable, quality healthcare coverage should not be something our farm and ranch families should be worried about. We believe this bill, if passed, will help us provide more options for our member-families. The status quo is not working for some of our farmers and ranchers, and we hope to, in some small way, help North Dakota farm and ranch families remain viable in this industry and in our great state.

We ask you to help us create this opportunity for NDFB member-families who are struggling with healthcare costs and options. Please recommend a “do pass” on Senate Bill 2349.