

My name is Dan Waters and I am President of Dan Waters and Associates, Inc. in Hickory, North Carolina. I am a lifetime resident of Catawba County and a graduate of Lenoir Rhyne University with a degree in economics. I have served the people of Hickory as an insurance agent and broker for over thirty-three years.

During my tenure in the insurance industry, I have seen companies come and companies go. I have seen policies change and policies terminated. We have offered Basic Benefits, Basic Benefits with Extended Coverage, Basic Benefits plus Major Medical and Comprehensive Major Medical Coverage. At no time did these benefit plans require 2700 pages of explanation. Let alone 2700 pages that neither the clients, their agents or their Congressional Representative fully understand or have personally read.

Now, agents and brokers are tasked with the challenging job of trying to explain this complex law to our groups and individuals. Everywhere we turn there is confusion, misinformation and questions about the programs offered, cost of premiums, tax ramifications and more.

In order to prepare, brokers and agents have been attending seminars, webinars, reading NAHU Washington Updates and taking the required PPACA certification course. In addition, we have been keeping up with the latest technology tools for group clients as well as for individuals. Our goal is to be able to communicate the benefits in an understandable way, quote accurate premiums and in general allay the fears and concerns of our clients with regard to their new plans.

Some examples of the concerns I am hearing in my office on a daily basis are:

1. I like my current plan. Why can I not just keep it?
2. Why do I have to pay for benefits I will never use such as maternity, birth control, pediatric vision and dental or rehab. services?
3. How will I pay for the higher deductible I must have in order to make my plan affordable?
4. Do I qualify for a subsidy? Why do I not qualify for a subsidy?
5. Why is my health care premium so much higher than before?
6. I don't want to pay for insurance. Why is it not my right to choose that without a penalty?

Do our current medical policies need to be changed in many ways? Most reasonable parties would agree that is the case. Do we want to provide coverage for those who can't afford it, but need or want it? Yes, definitely. Should there be a way for Americans with pre-existing conditions to keep or get coverage at a reasonable rate. Yes, of course. Is the Government Mandated Affordable Care Act, requiring all policies meet the same minimum standards regardless of needs or stage in life the answer? I would say from the reaction of my clients that would be a resounding "no".

As soon as the ACA became law, our office phones were ringing with questions as to what it would mean for our clients, particularly our individual clients. After the cancellation notices were received and new premiums were announced, those calls and the frustration of our clients increased exponentially. Many clients found their monthly costs more than doubling. As a personal example of what we were seeing, my wife's policy with a monthly premium of \$396 was cancelled and replaced with one that would now be \$735. As with many of our clients, she is choosing to go with a significant increase in her deductible in order to reach a reasonable cost. Since the recent announcement by the President that people could keep their current plan, a large portion of my individual clients are seeking to do just that.

I fear that the mandatory ACA will be detrimental to my community as a whole. We have experienced an economic downturn in the last decade resulting in industries closing, a depressed housing market, and overall lowering of disposable income. When struggling employers are required to pay more in benefits either they will be forced to reduce their workforce, contribute less toward the employee health plan, or drop those plan altogether. Less income on the part of the business or the individual translates into less spending and less growth for our area.

Thank you for your time to consider this important matter and for the opportunity to share my concerns. It is my hope that together we can come to a better solution that will allow health care to be fair, yet affordable, for employers and individuals without making it a burden to our society.

Committee on Oversight and Government Reform  
Witness Disclosure Requirement – “Truth in Testimony”  
Required by House Rule XI, Clause 2(g)(5)

Name:

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1. Please list any federal grants or contracts (including subgrants or subcontracts) you have received since October 1, 2011. Include the source and amount of each grant or contract.

None

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2. Please list any entity you are testifying on behalf of and briefly describe your relationship with these entities.

DAN WATERS & ASSOCIATES, INC. AND I  
AM PRESIDENT

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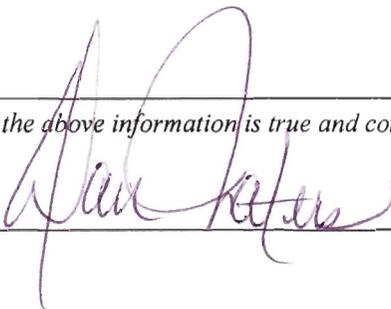
3. Please list any federal grants or contracts (including subgrants or subcontracts) received since October 1, 2010, by the entity(ies) you listed above. Include the source and amount of each grant or contract.

None

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I certify that the above information is true and correct.

Signature:



Date:

11/21/13