

**Testimony of Daniel Livingston, Livingston, Adler, Pulda,
Meiklejohn & Kelly, March 9, 2006**

Senator Prague, Representative Ryan, and members of the Labor and Public Employees Committee,

I address you today as an attorney and as a long-time activist on health care and on many issues of concern to Connecticut's working families. I am here to testify in favor of *SB 462, An Act Concerning a Fair Share Health Care Surcharge*. I am here to thank you for raising this bill, and more generally for being the place that working families can go in this building with the expectation that their needs will be considered fairly and sympathetically.

Americans have long known that our health care delivery system is imperfect. Bill Clinton was elected in 1992 in part on his promise for fundamental health care reform. But that promise failed, and in the interim, Americans have learned that our system is not just imperfect, it is broken, and it is getting worse. In Connecticut, 365,000 residents lack any sort of health insurance. Probably twice that number have coverage which is inadequate, and even people with good insurance coverage are often one pay check away from uninsurance. COBRA, which was supposed to allow people to buy insurance while they were between jobs, has become so expensive that few can afford it. Only half of our small businesses can afford insurance for their employees, prescription drug prices are through the roof, and Medicare Part D, we now know stands for Dismal, or Destruction. All of the assumptions upon which our health care system is based --- that health insurance would be affordable and available for working families through their employers, and that Medicare would protect them when they retire -- are failing and slipping away.

Now like most large problems, its causes are complex, and a comprehensive solution will take great effort. But in the meantime, we do know and we can address one reason things are getting worse -- huge, ultra-profitable businesses like WalMart that drive down wages, refuse to provide affordable benefits so that many of their workers have no insurance at all, and even pay some employees so badly that they are eligible for healthcare at taxpayer expense. WalMart not only hurts its employees and their families, it forces competitors to cut benefits in order to compete, it forces responsible employers out of business, by leaving many workers uninsured it raises the cost of healthcare for the rest of us,

and of course it take \$5 or so million every year from the taxpayers through Husky.

It is easy, to wring our hands and blame Sam Walton, or George Bush, and the insurance companies, and the ever more powerful pharmaceuticals: Easy, and fair, but in the long run useless. The people of Connecticut didn't elect their government to wring its hands. The bill before you begins the process of making things better, by making our biggest and most profitable company begin to pay its fair share. In fact, it might even make them decide to start providing affordable health insurance! And it begins to level the playing field for Wal-Mart's competitors who are in fact paying responsible wages and benefits to their employees, while providing our government with additional resources to help small businesses and the uninsured.

One last point -- you will hear, I am sure, from CBIA which claims to represent the business community, and which will tell you that even considering fair share legislation will drive businesses away. Nonsense. While a few of the biggest businesses that actually control CBIA oppose fair share, we have canvassed dozens of small businesses and found them almost unanimously in favor of this legislation. You will hear from some of those people today. Many businesses recognize that it is the job of government to provide rules that benefit responsible businesses and punish irresponsible businesses. They appreciate that we are finally on the verge of doing that on health care. Frankly I think it is an insult to Connecticut's business community and to the business communities of the 30 states where this legislation will be introduced to suggest they will run from our state because Sam Walton is finally required to pay his fair share for health care!

I want to thank you again for doing the right thing, for standing up to what can only be called bluster and blackmail, and remembering the people upon whose hard work our state truly depends. Thank you for raising SB 462.