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CITIZENS FOR ECONOMIC OPPORTUNITY  
*Corporate Responsibility Campaign*

February 26, 2007

To: Senator Handley, Rep. Sayers and Members of the Public Health Committee  
From: Beverley Brakeman, Director  
Re: HB 6693 AAC Creation of a State Health Care Plan

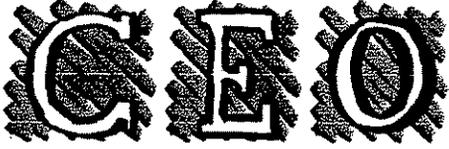
My name is Beverley Brakeman and I am the Director for C.E.O., a coalition of labor and community groups working on corporate responsibility and health care. I am also a member of the United Auto Workers Local 376 and above all else a resident of this state who thinks the time is now for us to be bold and brave and pass real and comprehensive health care reform that covers everyone, is affordable and accessible, economically self sustaining, portable across employment and health enhancing. The residents of this state deserve nothing less.

While HB 6693 is not drafted, we understand it is intended to create a state health care plan to cover all residents which in essence would be a single payer system of health care.

I recently watched a video created by an advocacy group in California comparing single payer to going to one's prom. For example, you buy a ticket for one price which gets you in the door to enjoy the prom. What you don't see is how all of the ticket money collected is used to pay the DJ, buy the food, decorate the facility and pay rental fees for the location. Quite simply this is how a single payer system is designed – we all pay into one entity that is then responsible for paying doctors to provide our medical care.

The Universal Health Care Foundation developed policy specifications for such a plan in CT. In essence, the government or a designated agency of the government purchases medical and health care services directly from providers. Benefit packages and provider rates are determined by the designated agency in conjunction with providers, employers, individuals and labor unions can purchase supplemental coverage as needed or desired, patients maintain their choice of doctors, doctors have more control, the government is in a much better place to establish real cost containment measures, the profit is taken out of the system and the administrative costs are dramatically reduced.

A single payer system provides universal coverage, reduces administrative costs, is less bureaucratic, and eliminates the incentive to profit by denying care. In fact, according to research conducted by the Universal Health Care Foundation, the benefits of expanding a single payer system to all people under age 65 in Connecticut include a 5% reduction in total health care spending, 16% decline in average health costs per insured, 11% decrease in employer payments, up to \$1.3 billion in new net annual income for households, and stabilization of provider reimbursement rates and administrative costs. Additionally, due to an overall reduction in employer's labor costs, as many as 6,000 to 11,000 new jobs could be created.



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One problem however, with single payer health care is simply the term "single payer". For many it conjures up images of long lines in Canada waiting for critical medical care, relatives in other European countries unable to access necessary medical procedures, or "big brother" doling out our health care.

When I hear these concerns I understand but cannot help but wonder:

1. Do we think residents of our state don't wait in line or even die because they cannot get necessary care in time?
2. Do we think the emergency room as first responder for the uninsured people in this state is cost effective and good for them?
3. Do we think our health care is not rationed, doled out and managed by managed care and insurance companies?
4. Do we understand that a core reason for our current mish mosh system of health care delivery is that it is driven by profit and burdened by administrative costs estimated to be as high as 30% of our health care dollar versus the 3% administrative costs currently spent for Medicare??
5. Do we understand that doctors today in our state have to hire more administrative staff than medical staff?

Incremental, piecemeal approaches to this problem that protect insurance company profits, reduce their risk and develop "designer" health insurance products that shift costs, reduce benefits and pretend to give consumers more choice and control over their health care are a farce.

We can do better. Sen. Williams commitment to a Medicare for All type health care system is encouraging as is the commitment of the 50 legislators signed on to this bill as is the commitment by members of our Insurance Committee to hold a public hearing on a single payer system of health care.

We urge this committee's support for HB 6693 and if you do not support this bill we urge you to support health care reform bills that lead to universal health care and not piecemeal incremental approaches that will take years before everyone in the state has access to quality health care.

I have attached these policy specifications as well as some information about single payer that we put together for your review. Thank you.