

**Testimony of Tom Swan, Exec Director CCAG**  
**Public Health Committee**  
**February 26, 2007**

I want to thank the committee for holding Monday's hearing and for raising 6693. My name is Tom Swan and I am the Executive Director of the CT. Citizen Action Group and I am testifying today on behalf of the over 30,000 member families that want you to act now to provide their families with health security.

Last week Quinnipiac University released a poll that showed that 61% of Americans want the government to act to provide health security to America's families. It is clear that the public wants action.

Single payer health care is the most efficient and just means for providing health care. The only rationale to explain the current state of affairs of our current health care mess is the role of lobbying and campaign contributions by the health care profiteers in the insurance and pharmaceutical industries. Since Connecticut is embarking on a new election system that is not dependent on their contributions you can believe that the voters of Connecticut will be expecting real action before the 2008 elections.

Health care is not a toaster oven. Markets can be a good way to solve economic problems in that competition and the profit motive can provide a strong incentive for market participants to give the consumer what they want. However, as we see with the continued push to shift the risk onto individuals and the increase in dollars being diverted from health care to administration, lobbying, profits, and excessive executive compensation packages that this is not the case with health care. Health care's primary purpose is keeping people healthy not building a better toaster oven. Too often in a market based health care system often incentives are placed at denying people care not getting us healthy.

In my testimony on January 31<sup>st</sup>, I pointed out how costs and the shift of risks to individuals, driven by health care profiteers, were undermining the health security of all of us. In his February 16<sup>th</sup> column Paul Krugman talks about how two New York hospitals have filed a racketeering lawsuit against United HealthGroup because of their practices of not paying patients bills in order to maximize their profits. The denial process results in bureaucracies not only for the insurer, but also for providers. Krugman cites a recent McKinsey and Company report that estimated that insurers spend an estimated \$98 billion a year in excess administration costs. This figure doesn't even include the excess administrative costs for providers and hospitals that a multi-payer demands. Meanwhile, McKinsey, hardly a left wing outfit, estimates that universal coverage would cost less than \$80 billion nationally and guarantee everyone health security.

Over the coming months you will have the opportunity to have Connecticut show the rest of the country the way in developing a rationale response to our current health care crisis. A single payer system is the most rationale way to achieve this. Thank you for your time and for raising this concept.