



Greater Hartford Legal Aid, Inc.
Testimony before the Human Services Committee
March 13, 2007
Submitted by Lucy Potter
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**H. B. No. 7361, AN ACT CONCERNING CHILD SUPPORT
ENFORCEMENT PROGRAM COMPLIANCE AND IMPROVEMENTS.**

Position: amend sections 3, 7, 11 and 57 re cash medical support

I am an attorney at Greater Hartford Legal Aid. I have represented low income Hartford area residents in benefit and child support matter for over twenty years. I also have served on the past four Connecticut Child Support Guideline Commissions. I do not speak on behalf of the commission with these comments.

I am specifically addressing the sections of this bill which address medical support. Current law requires support orders to include medical coverage if it is available at "reasonable cost," which had not been defined previously. This bill defines "reasonable cost," to be 7.5% of gross income, or 5% of gross income for "low income obligors." If private health coverage were not available at such a reasonable cost, the bill would require the payment of "cash medical support" in lieu of health coverage. If the child/ren qualify for HUSKY coverage, the cash medical support would be paid to the State to offset the state's capitated costs. If the child does not qualify for HUSKY the cash payment would go to the custodial family.

It should be changed as follows:

- *Reasonable cost should be defined as 5% of gross income for all obligors, with a floor of 185% of poverty (the qualifying income for a child to receive HUSKY.) For those with incomes below this amount, health coverage, including HUSKY contribution, should not be considered to be available at reasonable cost.*
- *There should be no cash medical contribution where it is determined that neither private health coverage nor HUSKY coverage is available at reasonable cost. While the understandable intent here is to address the lack of health coverage for children, you can't buy "half an insurance policy." The receiving family will likely have other exigent needs, and not be in a position to bank this money for medical support. Unreimbursed medical costs are already allocated between the parties in support orders under current law. This bill would add a 5 to 10% surcharge to the orders of low wage obligors who lack access to affordable health coverage, without ensuring health coverage for their kids.*

The last guideline commission spent three years balancing competing interests to develop guidelines that addressed the need for basic support, child care, health care and allocation of unreimbursed medical costs. It is not fair to now tack on a surcharge that has not been part of that analysis. The addition of a cash medical contribution could be a matter for the next guideline commission, considered in the context of the full range of competing needs. Moreover, the General Assembly is currently considering the problem of health coverage more generally. The role of child support enforcement in ensuring health care coverage should likewise be considered in that broader context. Finally, federal regulations addressing medical support are pending, but have not been finalized. It is premature to require "cash medical support" until final federal regulations issue.

