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**Testimony on House Bill 6693:  
An Act Concerning the Creation of a State Health Care Plan**

**Public Health Committee**

February 26, 2007

My name is Stephen A. Karp, executive director of NASW/CT and I am here today on behalf of the National Association of Social Workers Connecticut Chapter, which represents over 3,500 members. We appreciate the Public Health Committee's willingness to consider meaningful universal health care proposals.

NASW is committed to the idea that health care is a right and that every resident in Connecticut (regardless of income) deserves comprehensive health care coverage. However, NASW believes that the most comprehensive, cost effective, and equitable way to achieve this goal would be with a single-payer health care plan that includes mental health and substance abuse coverage.

Statewide, nearly 400,000 residents (one in nine) lack access to health care. Every year the numbers are growing and as a nation, we are failing to stem the tide of rising rates of diabetes, heart disease, cancer and obesity related diseases. On an international scale, the United States has the undesirable distinction of having substantially lower life expectancy and higher infant mortality figures than other advanced countries and yet spends far more per person on health care than any other country. We are the only industrialized nation to fail to provide health care coverage for all our citizens. Last year a government sponsored task force determined that Connecticut residents favored a single payer national health insurance plan versus other inadequate, half-measure plans that have been proposed by for profit insurance companies.

The case for single-payer is rationale and compelling. A single-payer system is one where there is only one payer, similar to the Canadian system. It would be similar to our Medicare system which is universal and identical, not means-tested, and administered by the government. In Connecticut, it would cover all residents under a plan similar to the State Employees Health Plan.

The reasons that NASW supports a single- payer system for Connecticut are as follows:

1. Single- Payer has significantly lower administrative costs. According to a study by the Universal Health Care Foundation of Connecticut, for non-elderly residents average health costs per insured would decline by 16%, in part because of reduced administrative waste. Currently administrative costs on the private sector side

account for 15-20% of health care costs, a tremendous waste of money, especially when compared to Medicare's administrative costs of 3-5%.

2. Single-Payer is good for business. Employers who now cover employees will see a reduction of costs of approximately 11% (Universal Health Care Foundation of CT report Sound The Alarm). Increases in health care costs thwart job growth and have a negative effect on Connecticut's economy.
3. Single -Payer is more efficient, easier to understand, and promotes greater accountability. A fragmented delivery system is a barrier to full accountability. One place to send bills and one set of rules would be more efficient.
4. Single-Payer is more equitable. Access to health care would not be determined by ability to pay or by a profit margin. Every Connecticut resident would have equal access.
5. Single-Payer gives the government greater leverage to control costs. This system would take advantage of economies of scale and have greater leverage power in bargaining with providers.
6. Single-Payer fosters transparency in coverage decisions and promotes greater accountability to the public.

Positive solutions to the health care crisis are available and we recommend that the Legislature include the following elements:

#### STEPS THAT CAN BEGIN IN 2007

- Universal health care coverage based on a single-payer system.
- Adopt the principles of the **Institute of Medicine**.
- Creation of a bulk prescription-purchasing program for prescriptions purchased by the State of Connecticut.

#### STEPS THAT CAN BE IMPLEMENTED IN 2007

- Increase HUSKY eligibility for individuals up to 200% of the federal poverty level and allow individuals above 200% of the FPL to buy in at a sliding scale.
- Require that insurers allow small businesses to enroll part-time employees, who work less than 30 hours a week (for example NASW/CT would cover part-time employees working at least 20 hours per week if allowed).
- Exempt health plans sold in Connecticut to small businesses from the state's premium tax with the requirement that the savings be passed through to the employer in lower premiums.
- Increase all provider rates under Medicaid and SAGA in order to increase access.

In conclusion, NASW/CT urges the members of the Public Health Committee to pass a single-payer health insurance plan that is universal, equitable, affordable, efficient, continuous and secure. Effective reform will cut costs, improve quality of health care, and most importantly - will be socially responsible.