



CITIZENS FOR ECONOMIC OPPORTUNITY
Corporate Responsibility Campaign

January 31, 2007

To: Senator Handley, Rep. Sayers and Members of the Public Health Committee

From: Beverley Brakeman, Director

Re: Access to Affordable and Quality Health Care

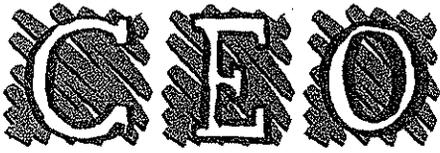
My name is Beverley Brakeman and I am the Director of Citizens for Economic Opportunity a coalition of labor and community groups working on corporate responsibility and health care.

We applaud Sen. Williams' commitment to health care reform and his caucus' long term pledge for universal health care. Senator Williams' short term plan falls far short of universal health care but his willingness to move towards a Medicare for all type plan for Connecticut is very encouraging and, while arguably the most important part of his plan, inadequately covered in the media. Medicare, after all, is proof that we already have a popular single payer system of health care that, while we understand is not perfect, is cost efficient and covers everyone over 65.

A single payer system provides universal coverage, reduces administrative costs, is less bureaucratic, and eliminates the incentive to profit by denying care. 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.

In today's fragmented system, the United States spends more than any other industrialized country on health care and has the most uninsured. In 2005, Connecticut spent \$15 billion dollars on health care - \$572 million directly on health care for the uninsured. Connecticut employers spend on average 13.3% of their payroll on health insurance and the rate of un-insurance costs state residents more than \$652 million dollars annually. Yet we have over 400,000 uninsured residents and at least 80% of them work.

While a single payer system will not be perfect, the myth that the United States has the best health care system in the world today is a farce. Consistently we hear that a single payer system will lead to a loss of insurance jobs, an economic downturn, long lines for people who are gravely ill, and no choices or control over our doctors or medical decisions.



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If you think about it however, these fears about a single payer system are already in fact true under the current fragmented system of health care. Insurance companies today are constantly merging and downsizing to save money, increase profits and reduce expenses and the economy is struggling under the rising costs, both direct and indirect, of our current health care delivery system which essentially uses the emergency room as its highly inefficient and costly mechanism for universal care. All of the time people in this country wait in long lines for care and every one of us knows that when we change jobs or life situations, we risk losing the doctor we've grown to trust because he/she may not be on our new plan – so one has to ask what have we go to lose?

In California, a state whose lead Connecticut has followed on pay or play and fair share health care proposals, the passage of a single payer health care bill last year, albeit vetoed by Governor Schwarzenegger, likely had something to do with his renewed commitment to universal health care today. Additionally, in an extensive ABC News/Washington Post poll, Americans by a 2-1 margin, 62% to 32% said they prefer a universal health care insurance program over the current employer based system.

Market driven efforts to reduce costs and provide health insurance to more residents are severely flawed because they decrease benefits, shift costs to consumers, limit insurance company risk and maintain their profits rather than provide access to quality health care.

In a single payer system like Medicare, the state government or its designated agency purchases healthcare services directly from the providers of these services. Medical decisions are left to the patient and doctor, the public has input into how the system is run, cost containment and administration is streamlined resulting in lower costs and higher efficiency.

We urge your support today of comprehensive health care reform that is not piecemeal but comprehensive and quality driven. Connecticut needs Medicare for All by May 1st or Single Payer by Cinco de Mayo

Thank you.