



COMMUNITY HEALTH NETWORK

OF CONNECTICUT, INC.

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Supporting

Raised Bill HB 5905: AN ACT MODIFYING THE DEFINITION OF PREFERRED PROVIDER NETWORK AND CLARIFYING CERTAIN PROVISIONS OF THE CHARTER OAK HEALTH PLAN

Good afternoon Representative Villano, Senator Harris and members of the Human Services Committee. My name is Sylvia Kelly and I am here today representing Community Health Network of Connecticut (CHNCT) to provide testimony in support of raised bill HB 5905. Specifically, CHNCT supports the provisions that would exempt a nonprofit organization providing services only to recipients of public assistance programs from the definition of a Preferred Provider Network (PPN). CHNCT is a nonprofit organization that only provides services to the state's HUSKY A, HUSKY B and State Administered General Assistance (SAGA) programs. We have been participating in the HUSKY programs since 1995. We have been the Administrative Services Organization for the SAGA program since 2004. Our only source of revenue comes from the Department of Social Services. We are based in Wallingford, Connecticut and owned by seven Federally Qualified Health Centers (FQHCs). Our owners are: Charter Oak Health Center, Inc.; Fair Haven Community Health Center, Inc.; Generations Family Health Center, Inc.; Hill Health Corporation; Optimus Health Care, Inc.; Southwest Community Health Center, Inc.; and StayWell Health Care, Inc. We are one of the two remaining plans that have continued to participate in the HUSKY programs as a Prepaid Inpatient Health Plan (PIHP).

From the inception of the HUSKY program, CHNCT has been subject to the financial reserve requirements defined in our contracts with DSS. Under these contracts, we are required to maintain sequestered capital in the amount of \$500,000 plus 2% of ongoing capitation premiums in a restricted account. However, after the passage of the PPN legislation, it became apparent that, although we were not the intended subject, we did meet the definition of a PPN. The PPN legislation has additional financial security requirements an organization must meet in order to conduct business in Connecticut. For several years, CHNCT has been working with the Department of Insurance (DOI) and more recently, with DSS on this issue because at present, we are not able to meet the financial security requirements without receiving additional funding from the state. CHNCT respectfully requests the Committee to consider bill HB 5905 so that CHNCT may continue its partnership with DSS in providing services to the state's most vulnerable individuals both now and in the future.

Thank you for your time and consideration.

