STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

Testimony of Commissioner Cristine A. Vogel, MPH
Office of Health Care Access
Human Services Committee Public Hearing
Tuesday, February 26, 2008

CRISTINE A. VOGEL
COMMISSIONER

Good morning Senator Harris and Representative Villano and all distinguished members of the Human Services Committee. I am Cristine Vogel, Commissioner of the Office of Health Care Access (OHCA) and I thank you for the opportunity to offer my comments regarding House Bill 5617 An Act Delaying Implementation of and Making Revisions to the Charter Oak Health Plan.

I know you truly are concerned about those individuals that do not have access to health insurance and health care services; however, I am concerned that the proposed revisions limit it's financially feasibility and more importantly that this delay will result into more people going without an alternative for health insurance.

Although nearly 94% of Connecticut residents have health insurance; OHCA's survey research has found pockets of uninsured with about 6% being uninsured for the entire year (that is approximately 223,000 in 2006) and an estimated 10% or 347,000 residents experiencing a period of time of no insurance over the preceding year. Sixty-two percent of those currently uninsured have been without coverage for at least a year – it is this approximately 140,000 people I am concerned about waiting one more year.

According to OHCA's survey, the breakdown of the estimated uninsured is as follows:

- working adults 136,100
- unemployed adults 48,000
- children 24,700
- retirees/seniors 10,000
- "other" 3,800

Sixty-one percent of the uninsured are working adults, over half of whom hold permanent fulltime positions; and 65% of these working uninsured are employed by firms that do not offer health benefits. I believe this substantial number of people (plus the additional 10,000 retirees) would prefer to have the choice this year if Charter Oak is the appropriate plan for them.

Also, our young adults, age 19-29, would benefit from an additional option for health insurance since the reason they remain without health insurance is either that they:

- Are not eligible for parental/guardian coverage;
- Have "aged-out" of public coverage; or
- Work for an employer that does not offer health insurance or they are not yet eligible because of being a new hire or part-time status.

Seventy-five percent of all uninsured young adults are working, yet only 15% have access to employer coverage; and 95% stated that having insurance is "somewhat" or "very" important when asked. This study found that in the last year 36% of the uninsured young adults postponed needed medical care and approximately 15% identified the emergency department as their source of care.

Our hospitals remain the safety net for the uninsured. Of the 424,000 inpatient hospitalizations, 13,000 were uninsured in Fiscal Year 2006 and the charges associated with these uninsured hospitalizations exceeded $200 million. In FY 2007, 11% or 172,207 visits throughout Connecticut's Emergency Departments were recorded as being from patients without insurance. Hospitals are required to provide necessary medical care to patients and the costs associated with uninsured continues to rise.

At a time when government leaders are focusing on closing the gap that exist between the insured and the uninsured, it concerns me that this bill will delay access for some to acquire health insurance this year.

The Charter Oak Health Plan was not designed to be the single solution to resolve the issue of the uninsured. It was designed to provide an option to those whom have either retired early, are self-employed, are full-time students or newly graduated, or work for an employer that does not offer health coverage. Let a portion of this uninsured population have a choice to access a well-designed health plan. Let's allow the Charter Oak Health Plan to begin as scheduled.

Thank you for you time and I would be pleased to respond to any questions.