



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

5018

### Testimony of the Connecticut Insurance Department Before The Insurance and Real Estate Committee

Tuesday, February 3rd, 2009

#### Proposed Bill 5018--An Act Requiring a Cost-Benefit Analysis of Health Insurance Benefits Mandated in this State

The Connecticut Insurance Department would like to provide the following comments on Proposed Bill 5018--An Act Requiring a Cost-Benefit Analysis of Health Insurance Benefits Mandated in this State.

The bill amends title 38a of the statutes to establish an independent working group to conduct a cost-benefit analysis of existing health insurance benefits mandated in this state and require that an analysis be conducted prior to the implementation of any new health insurance mandate.

There has been, and continues to be, considerable discussion about the true cost of health insurance mandates and their impact on the overall costs of health care. In order for the study to be conducted in an independent and unbiased manner, we believe that an independent body would be the most appropriate way to proceed.

Previous proposals have directed the Connecticut Insurance Department to undertake a cost-benefit analysis on health insurance mandates. The Department did not, nor does it currently have the staff expertise or resources to do so, particularly with the current challenging economic backdrop. This type of analysis requires the expertise of health care economists and other experts that the Department does not currently employ.

However, the Department would be willing to manage the contracting process that would be necessary to conduct an independent study of mandated health benefits as long as the requisite funding is made available to fund the engagement.