



Quality is Our Bottom Line

5172

**Insurance Committee  
Public Hearing  
February 5, 2009**

**Testimony regarding:**

**HB 5172 AA Establishing the Connecticut Healthy Steps Program.**

The Connecticut Association of Health Plans is pleased to offer the following testimony with respect to HB 5172 AA Establishing the Connecticut Healthy Steps Program. The Association applauds the Insurance Committee for bringing forth this proposal and others that are aimed at broadening the accessibility and affordability of quality health care. As an industry, we are committed to working with all parties to achieve the goal of universal access to health care coverage and would welcome the opportunity to bring our experience and expertise to bear in the weeks and months ahead.

Over the past 12 years, private health plans have played an important role in arranging for the delivery of medical services under the HUSKY program. As a state, we have much to be proud of. We have one of the highest eligibility classifications in the country, our EPSDT scores have surpassed the national average and the program meets the medical and behavioral health care needs of some of Connecticut's most vulnerable citizens. Consider that:

**HUSKY A:**

- Provides coverage for children up to 185% of the FPL.
- Provides coverage for adults (parents or caretakers) up to 150% of FPL (up from 100% last year)
- Current FPL is approx \$19,350 for a 4-person household

**HUSKY B:**

- Provides coverage to children in families with incomes between 185% and 300% of the FPL.
- Families between 185% and 235% (Band 1) \$30 per child
- Families between 235% and 300% (Band 2) \$50 per child (\$75 family cap)
- Families above 300% can buy in for the premium cost

The program has seen its fair share of challenges over the years as the state grappled with budget deficits and other factors, but overall HUSKY has proven to be a solid, reliable foundation and the state should be proud of its efforts in this area.

As an Association, we believe that product flexibility in the marketplace is a key component to addressing the needs of Connecticut's citizens and we support initiatives that promote the continued viability of Connecticut's insurance market. The ability to offer a full range of products and services at various price points drives both cost and quality and we encourage the Committee to consider these approaches as the dialogue continues.

Having said that, we appreciate the need to keep an open mind with respect to new approaches. Health plans at both the national and state level have recently taken the unprecedented step of endorsing the concept of an individual mandate in recognition of the need to create a financially viable and sustainable structure for the insured population. The only way the insurance market can withstand guaranteed issue – meaning that no one is turned away from insurance – is to rate the healthy along side those with serious medical conditions in effect creating a balanced pool of members. Without such a mechanism, you risk a death spiral in any particular segment of the market.

We very much welcome a discussion around many of the elements contained in HB 5172 which represent what we believe is a very common sense approach to health care reform. There are pockets of uninsured that need to be addressed and the solution for each segment might be different. We are particularly intrigued by sections of this bill that were under consideration last year that allowed members to enroll in Medicaid once they reached a benefit maximum of \$500,000. To succeed in bringing universal health care to Connecticut, we must engage in a public private partnership as envisioned by this provision. While we would like to have the opportunity to review the details of HB 5172 more thoroughly, we are encouraged by its direction.

Again, we are pleased to participate in any and all ongoing discussions around health care reform moving forward and we hope that you will consider the health insurance industry a valuable resource when deliberating various proposals.

Thank you for your consideration.