

5172



CONNECTICUT

**TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS
BY
ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR
REGARDING HB-5172,
AA ESTABLISHING THE CONNECTICUT HEALTHY STEPS PROGRAM
BEFORE THE
INSURANCE & REAL ESTATE COMMITTEE
FEBRUARY 5, 2009**

The National Federation of Independent Business (NFIB) respectfully submits the following comments regarding HB-5172, An Act Establishing The Connecticut Healthy Steps Program:

NFIB is supportive of the concepts behind several provisions in HB-5172, specifically sections (F) and (G) in lines 9 through 11 of the proposed bill, dealing with “a tax credit for small employers who offer health insurance to employees” and “a health savings account incentive program.”

Generally, NFIB has been supportive of Health Savings Accounts (HSAs) and certainly applauds the committee for looking into ways to provide “incentive”. With healthcare costs continuing to rise, an increasing number of employers are looking for innovative ways to stretch their healthcare dollars. This includes market-driven reforms aimed at empowering individuals and employees to become better consumers by giving them the freedom to choose how they are spending their healthcare dollars. HSAs are one of the primary tools available to small business owners, their employees and their families, which provide the consumer with the choice to control and spend healthcare dollars as they see fit.

However, as with all proposals, the specific details of provisions must be considered before NFIB can weigh in on the discussion and appropriately represent the concerns of small business. As the committee considers HB-5172 and other similar or related proposals, NFIB asks you to support policy reforms that balance the competing goals of access to quality care, affordability, predictability and consumer choice. As such, NFIB envisions that healthcare reforms should be based on a system that is:

Universal: All Americans should have access to quality care and protection against catastrophic costs. A government safety net should enable the neediest to obtain coverage. This does not mean a government-run, single-payer system.

Private: To the greatest extent possible, Americans should receive their health insurance and healthcare through the private sector. Care must be taken to minimize the extent to which governmental safety nets crowd out private insurance and care.

Affordable: Healthcare costs to individuals, providers, governments and businesses must be reasonable, predictable and controllable.

Unbiased: Healthcare and tax laws should not push Americans into employer-provided or government-provided insurance programs and hobble the market for individually purchased policies. Small employers should be treated the same as large employers, who can already pool across state lines. A healthcare system built on employer mandates or on play-or-pay taxes is unacceptable.

Competitive: Consumers should have many choices among insurers and providers. Policymakers must alleviate the limitations that state boundaries and treatment mandates place on competitiveness.

Portable: Americans should be able to move throughout the United States and change jobs without losing their health insurance.

Transparent: Information technology should enable all parties to access accurate, user-friendly information on costs, quality and outcomes. Providers must be able to obtain relatively complete medical histories of patients. At the same time, patients' privacy must be guarded zealously. The private sector must play a vital role in developing the new technologies.

Efficient: Healthcare policy should encourage an appropriate level of spending on healthcare. Laws, regulations and insurance arrangements should direct healthcare spending to those goods and services that will maximize health. Adequate risk pools throughout the healthcare system are vital to accomplishing these goals.

Evidence-based: The healthcare system must encourage consumers and providers to accumulate evidence and to use that evidence to improve health. Appropriate treatment choices and better wellness and preventive care should be key outcomes.

Realistic: Healthcare reform should proceed as rapidly as possible, but not so quickly that firms and individuals cannot adjust prudently. It is important to ensure that no one's quality of care suffers as we move to provide coverage for all Americans.

For more information on NFIB Healthcare Agenda and our "Solutions Start Here" Campaign, please visit: www.fixedforamerica.com.

Thank you for your consideration.