

State of Connecticut

5669

NANCY WYMAN
COMPTROLLER



MARK E. OJAKIAN
DEPUTY COMPTROLLER

Hartford

**Testimony Before the Insurance and Real Estate Committee
State Comptroller Nancy Wyman
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Good morning Chairman Crisco, Chairman Fontana, Senator Caligiuri, Representative D'Amelio and distinguished members of the Insurance and Real Estate Committee. I am State Comptroller Nancy Wyman and I appreciate the opportunity to be here today to testify in support of **House Bill 5669, "An Act Concerning Employer Health Insurance Premium Payments for Terminated Employees."**

I would like to thank the Chairmen of this Committee for raising this bill and I have had the opportunity over the last two Sessions to advocate for this legislation on behalf of Mystic small business owner Jonathon Duncklee.

Mr. Duncklee brought to my attention an inequity – resolved by this bill – that unfairly disadvantages small business employers who provide their employees with health insurance.

Currently, employees who are terminated or voluntarily leave a small business are afforded, at the expense of the employer, health coverage throughout the entire month. Large employers are subject to alternative regulations that allow them to immediately place employees leaving the business on COBRA.

It is the intent of this legislation to provide small employers with the same ability to cease health coverage at the time of an employee's termination or voluntarily quit. Connecticut's small businesses who struggle to offer health insurance should have every benefit of their larger counterparts. The passage of this legislation is critical as we face difficult economic times. A policy that supports and fosters the growth of small businesses and encourages the purchase of health insurance is needed now more than ever.

I would recommend one change to the language of this bill. As currently drafted, the bill provides for the employer's credit to be applied upon the subsequent renewal of such small group policy. Typically renewals are on an annual basis and I believe that it should be clarified to provide for the credit on the next month's premium in the same manner as large employers. Our small businesses should not have to wait months or as much as a year for the refund of their premium.

Mr. Duncklee should be commended for the time and effort he has given to make sure Connecticut creates an environment that is friendly to the economic benefits offered by its small businesses.

I wholeheartedly support this bill and want to thank you for your time.