

6152

TESTIMONY IN SUPPORT OF RAISED BILL NO. 6152
AN ACT CREATING A CATASTOPHIC COST POOL FOR MEDICAL EXPENSES

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Thank you for providing the Center for Children’s Advocacy with an opportunity to submit testimony to this committee. My name is Jay Sicklick, and I am the Deputy Director of the Center for Children’s Advocacy and Director of the Center’s *Medical-Legal Partnership Project*. The *Medical-Legal Partnership Project* (“MLPP”) is a collaborative endeavor that teams the legal advocacy and expertise of the Center for Children’s Advocacy with the medical expertise of the pediatric and family medicine clinicians at Saint Francis Hospital & Medical Center, the Connecticut Children’s Medical Center, Charter Oak Health Center, Inc., Community Health Services, Inc., the Burgdorf/Bank of America Health Center, the Hospital of Central Connecticut, and Community Mental Health Affiliates, Inc. of central and northwest Connecticut. The Center for Children’s Advocacy is a non-profit organization based at the University of Connecticut School of Law that provides holistic legal services for poor children in Connecticut communities through individual representation, education and training, and systemic advocacy. The MLPP, a medical-legal collaborative program that was the second of its kind in the nation, has been working on behalf of Connecticut’s children at risk in the clinical setting since April 2000.

We strongly support the passage of Raised Bill No. 6152, An Act Creating a Catastrophic Cost Pool For Medical Expenses, which will establish the state’s first debt relief fund for families whose children are beset by medical illness or injury. This fund has the potential to alleviate family debt, increase family preservation, improve the quality of life through the provision of medical and related services to ill and injured persons, and constitutes the first step toward providing comprehensive care and coverage to individuals with special needs. It is a proven program that has been spectacularly effective in New Jersey and Massachusetts, and one that can be replicated in Connecticut with relative ease and little financial burden. The following are the most compelling reasons for passage of HB 6152:

A Catastrophic Cost Pool for Medical Expenses has the potential to be an Inclusive, Broad-Based Program that Supports all of Connecticut’s Underinsured Individuals.

The bill is designed as a resource that will benefit all qualified individuals in the state of Connecticut. Far too often, income support programs are designed only for the most vulnerable families, thereby leaving working families without a resource to utilize in case of emergencies, or catastrophic events. The bill is designed to provide financial assistance to families who incur debt for medical or related expenses due to a child’s illness or injury *regardless of family income*. Specifically, the fund allows reimbursement of incurred expenses that exceed a percent of annual family income. The fund could potentially provide debt relief to the over 269,000 children enrolled in the state’s Medicaid program, of which 16.1% have been classified as children with special health care needs (*see Parent Report in National Survey of Children with Special Health Care Needs, www.cshcndata.org*), as well as the 14,700 children enrolled in the state’s SCHIP program (expanded Medicaid).

Catastrophic Relief Funds Have Proven Track Records In Two States Where Families Have Been Awarded Millions of Dollars For Medical and Related Expenses.

The Catastrophic Illness in Children's Relief Fund Programs ("CICRF") in New Jersey and Massachusetts have been extraordinarily successful in reimbursing families for debts incurred due to catastrophic chronic illnesses and one-time injuries. Since its inception in 1987, the New Jersey CICRF has approved over \$108 million to assist 4,572 families with health care and related expenses that were otherwise uncovered by insurance or any other resource. *See New Jersey CICRF Annual Report 2006-07*. In fiscal year 2007 alone, the New Jersey fund commission approved \$ 8.3 million for 337 families. Of those families, *89% were insured under through some type of insurance coverage, while the remaining 11 percent were uninsured*. To date, the Massachusetts CICRF provided over \$9 million in reimbursements to the families of 405 catastrophically ill children, and in FY 2007 alone, the fund paid out \$1.3 million in reimbursements (*Source: Interview with Nicole Roos, Mass. CICRF Executive Director 2/26/08*).

The Fund Preserves Families At Risk by Alleviating Debt.

Catastrophic Relief Funds are designed to address unpaid debt incurred by families who are financially incapable of dealing with medical and medically related expenses *not otherwise covered by traditional insurance programs*. Debt can result in chaotic family conditions such as homelessness and poor credit. The ramifications of debt extend far beyond the mere owing of money to creditors ... it speaks to a family's ability to secure subsidized housing (eligibility for public housing or Section 8) and to obtain low-interest loans for home purchase or modifications. Most importantly, the inability to procure necessary adaptive equipment or home modifications may result in a family with a medically complex child not being able to bring the child home from a lengthy hospitalization. Debt relief through this type of fund acts to allow families to contract with vendors and/or contractors to procure services, modifications and equipment that keeps children unified with their families.

The Pool is An Emergency Measure in Times of Economic Hardship that Can Act as a First Step in the Larger Healthcare Reform Picture

The raised bill represents a first step in the larger landscape of healthcare reform and can accompany a discussion for universal healthcare coverage for all individuals in the State of Connecticut. The pool, as designed, will eliminate the excess expenses that families incur as a result of inadequate health insurance coverage. But his bill is just the first step – the legislature should take the necessary steps to address debt incurred by families when faced with overwhelming medical and related expenses by crafting a comprehensive catastrophic illness in children relief bill patterned after programs in New Jersey and Massachusetts that have revolutionized the healthcare landscape in those two states.