



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

6530

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

Tuesday, February 24, 2009

**Raised Bill 6530--An Act Concerning the Accessibility and Effectiveness of Consumer
Report Cards and Transparency in Health Insurance Claims Data**

The Connecticut Insurance Department would like to offer the following comments on Raised Bill 6530—An Act Concerning the Accessibility and Effectiveness of Consumer Report Cards and Transparency in Health Insurance Claims Data. The Insurance Department supports the idea of improving the consumer report card in a manner to help consumers, but has concerns with this bill as drafted.

This bill requires a new section to be added to the report card that includes reimbursement rates, member utilization rates and payment and fee schedules for all Connecticut providers for the fifty most commonly performed procedural codes. We are not clear as to the intended differentiation between reimbursement rates and payment and fee schedules (which are normally the same). This volume of data could increase the size of the current publication by an additional 200 pages. Printing costs can be expected to increase by at least \$10,000 and additional staff resources will be needed to process the data.

Further, we are unclear about the objectives behind providing this information to consumers and how it is expected to aid the consumer in selecting a plan. The intent of the report card is to provide a comparison of current managed care organizations to facilitate an enrollee's choice. Of most concern to the Department is the fact that the added data may confuse a consumer and is unlikely to help a consumer select a managed care plan since such plans typically require a fixed copayment for participating providers and prohibit balance billing. The enrollee pays the same cost sharing amount regardless of the participating provider chosen. Member utilization rates are also unlikely to assist an individual enrollee using this guide to compare plans. A member is normally interested in whether a service is covered under the plan, not whether other members are using the service.

Despite our concerns with the current language in the bill, the Department would be pleased to work with the Committee to enhance the current report card in a manner that would help the consumer and be easy to understand.