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President & CEO
Quinnipiac Chamber of Commerce
Before the
Public Health, Insurance & Human Services Committees
March 2, 2009

The Quinnipiac Chamber of Commerce *opposes* **HB-6582, AN ACT ESTABLISHING THE CONNECTICUT HEALTHCARE PARTNERSHIP,** which opens up the state employee health plan to small businesses and other entities.

Although we applaud Speaker Donovan's efforts to address concerns regarding the cost and availability of health insurance, we are concerned that offering small businesses the opportunity to join the state health insurance plan will do very little to provide small businesses with affordable health care options for themselves and their employees.

Although some savings may be achieved through a larger purchasing pool, it is our understanding that because the state health plan is very expensive - an estimated $22,000 per year for a family of four – cost savings for small employers is unlikely.

We are also concerned that a statewide purchasing pool would operate outside the small group rating laws, which have helped certain small businesses maintain health insurance by spreading the risk associated with less healthy or older employees across the broadest possible base so that no single small employer experiences a significant increase in rates.

The skyrocketing cost of health insurance is a major concern for our members. During these difficult economic times, employers are struggling to find ways to maintain health insurance coverage for their employees. Unfortunately, group health insurance has become a financial black hole for employers, who are facing double digit increases in costs each year.

We therefore urge you to oppose HB-6582 and, instead, look for ways to address the burdensome cost of health care and insurance, such as allowing small employers to purchase health insurance with fewer mandated benefits. According to the National Conference of State Legislators (NCSL), mandates play a significant role in the recent skyrocketing increases in health insurance premiums. NCSL indicates that individuals and employers—in particular, small employers—are in peril of dropping or canceling their health insurance coverage as a result. However, Connecticut continues to adopt new mandates each year without regard for cost.

The Quinnipiac Chamber also supports efforts to improve overall health through wellness and chronic disease management programs and incentives for employees to take advantage of such incentives. Wellness programs are a proactive solution to help employers hold down health care costs by encouraging positive, healthy behaviors. Many of our employers are encouraging wellness programs for their employees and are experiencing positive results.

The Quinnipiac Chamber of Commerce serves more than 800 member companies from the North Haven and Wallingford areas. We are the largest non-metropolitan chamber in the state.