

457

**Testimony of the Connecticut Society of Eye Physicians
CT ENT Society
CT Dermatology and Dermatologic Surgery Society
On
SB 457, An Act Concerning Consumer Report Cards
Given by Debbie Osborn, Exec. Director**

January 27, 2009

Good morning Senator Crisco, Representative Fontana, and distinguished members of the Insurance Committee. My name is Debbie Osborn I am the Executive Director for over 700 physicians practicing ophthalmology, dermatology and ENT medicine in Connecticut, I am here today to support SB457 and to suggest further amendments that would help strengthen this bill and provide real and useful information that would allow consumers to compare the efficiency of Managed Care Organizations in managing their healthcare premium dollars.

People and businesses in the United States are facing economic challenges that are unprecedented in our lifetime, and it has become increasingly important for patients to become informed consumers and partners in their own health care. Currently, there are physician profiles available which allows patients to research their providers, and with the growing popularity of the World Wide Web, it is easier than ever for them to select a highly skilled and expertly qualified physician. Patients routinely use the web to learn more about their health problems and the treatment options, prognosis, and other resources available today. Consumer health care education, however, comes to an abrupt halt when it comes to insurance companies and Managed care organizations.

We spend a great deal of time selecting our providers, who may or may not be "in-network", but we have only limited access to information that would enable us to make informed decisions about the insurers we select. This includes the details about insurers that actually provide coverage for the various treatment options available and their efficiency in managing premium dollars. Too often, we as consumers review only the cost of the

premium and the provider networks to see if our “doc” is there, when making a choice on which insurer is better. Consumers need more information to make informed decisions on the overall performance of the carrier. They need to know how much of their healthcare premium is being spent on direct healthcare costs. Doesn't it make sense for consumers to purchase a policy which is reasonably priced and uses more of their premium dollars on benefits versus administrative costs- including run-away bonus compensation packages for CEOs and marketing expenses?

SB 457 is a good start to providing this much needed transparency. The Consumer Report Card has many important statistics on Managed Care Companies, and organizations such as CSEP know that these report cards exist and benefit from the publishing of such reports. But many consumers are not aware of the existence of the Insurance Department Consumer Report Cards or how to access them. This is problematic and defeats the purpose of providing transparency. **We can do better.** First- we must understand that it is vital that Business' and Consumer's are given the medical loss ratios at the point of purchase as well as being published in the Report of the Department of Insurance's "Comparison of Managed Care Organizations in Connecticut". By amending SB457 to include this provision we strengthen this important transparency bill by providing useful information to consumers that is timely (point of purchase). **We therefore strongly support an amendment for SB 457 that requires all proposals or descriptions of a health care plan include the medical loss ratio information at the point of purchase to the consumer.**

Obviously, selecting an insurer that spends more of its revenue on health care is an indication that it is more likely to cover needed health care services. Transparency is the best way to insure competition, better performance and the checks and balances needed to insure cost control and accountability in an industry that like the investment banking industry has gone far too long unchecked.

We as Americans cannot afford another industry bailout nor can we afford the ever rising healthcare premiums which seem disconnected- in the eyes of healthcare providers- to direct healthcare costs. Healthcare

providers across the state hope you will take this important step towards Transparency and shed some light on the high price of healthcare premiums and ultimately make us all better consumers with this knowledge.

Please support both SB 457 and the suggested user-friendly amendment. Thank you