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**TESTIMONY OF
ATTORNEY GENERAL RICHARD BLUMENTHAL
BEFORE THE INSURANCE AND REAL ESTATE COMMITTEE
MARCH 4, 2010**

I appreciate the opportunity to comment on House Bill 5300, An Act Concerning Hospital Charges for Uninsured Patients.

This proposal limits hospital charges to those without health insurance and who earn less than 250% of the poverty level to no more than 115% of the lowest amount such hospital charges an insurer or Medicare, whichever is less.

Under current law, hospitals may charge for services to patients who are uninsured and earn less than 250% of the poverty level provided those charges do not exceed actual costs of providing services. This legislation caps that amount.

My office has received numerous complaints regarding the stark difference between hospital charges for insureds versus uninsured patients. Because of the bargaining power of governmental programs and large health insurers, the charges for services to insured patients are significantly less than the charges for the same services to those who do not have insurance. My office has seen examples of uninsured patients paying up to ten times the cost of services that are covered by health plans. The result is that those who can least afford medical costs -- the uninsured who generally have limited financial resources -- actually pay substantially higher hospital bills than do health plans -- often forcing the patient into bankruptcy.

The legislature needs to stop this existing and substantial cost shift by hospitals from their patients who have coverage to those without insurance and who earn below 250% of the poverty level. House Bill 5300 is one potential solution. I am willing to work with this committee on addressing this pernicious problem.