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5295

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*TESTIMONY OF
ATTORNEY GENERAL RICHARD BLUMENTHAL
BEFORE THE INSURANCE AND REAL ESTATE COMMITTEE
MARCH 2, 2010*

I appreciate the opportunity to support House Bill 5295, An Act Concerning Municipalities and Prescription Drug Plans.

This legislation allows municipalities, boards of education and quasi-public authorities to join the state employees' health insurance prescription drug pool -- enabling them to lower these health insurance costs. These employers -- who would pay for any additional prescription costs associated with their employees -- can then join the pool if they feel it is a fiscally prudent alternative to their current prescription drug health insurance plan for their employees.

Municipal governments, boards of education and quasi-public authorities are faced with lower revenues and increasing health care costs for their employees' prescription drug costs. Many are abandoning health insurance coverage or imposing large co-payments on their employees.

This pool would provide an opportunity for cities, towns and local school districts to obtain real relief from ever-increasing prescription drug costs without any additional cost to the state.

Opening the state employee health plan will allow these employers the benefits of the state's bulk purchasing power. In turn, additional employees may give the state plan even greater purchasing power than it currently has.

I urge the committee's favorable consideration of House Bill 5295 as a common-sense measure to reduce some health insurance costs without sacrificing the quality of coverage.