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My name is Michael Brown. I live in Milford, Connecticut.

I realize that the bills in question have to do with individual insurance coverage, but I would like the committee to consider small business as well – a very small businesses in particular.

I have a 5 person company. We have been in business in Connecticut for 20 years. We are currently insured through an Anthem Blue Cross Blue Shield Personal Savings Account program. We have had previous contracts with Wellcare, Golden Rule, and various versions of Anthem plans.

Last year we changed programs from a somewhat standard health insurance to the PSA with a \$3000 per person deductible. Thus far, we have been paying the deductible for our employees.

I have submitted to this Committee copies of some sections of the latest renewal contract sent to me from Anthem.

The part of my new insurance renewal proposal that really irks me is a *co-pay for prescriptions, after that, now, a high deductible* has been met.

I know a little bit about what the insurance industry calls a "moral hazard". The thinking in the insurance industry is that if you set up barriers to people acquiring health care, like, deductibles and co-pays, then people won't use seek healthcare for frivolous reasons. I personally have never agreed with this – if you are sick, you should not be discouraged from going to a doctor.

But, allowing the insurance company definition of moral hazard, I fail to see the moral hazard that would exist after a person has already used up \$5000 of their *own money* on healthcare. (The current proposal I have received requires a co-pay on medications, after the a high deductible has been met.) If someone needs medicine after spending \$5000 in one year (plus insurance premiums), they must *really need the medicine* – it would not be frivolous use of healthcare.

The average cost for our insurance will go up 15% this term for the employees under 30 years old and my wife and I will be paying 25% more than the current premium. I plan to pick a plan with a higher deductible to "save" some money.

Again please consider including very small companies in the bills.

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New Standard Institute Inc.

Milford, CT 06460

Presented by Gowrie Group

April 1, 2010

	<u>Current Rates</u>	<u>Renewal Rates</u>	<u>Alternative Rates</u>					
	Anthem BC/BS Lumenos GHSA 77	Anthem BC/BS Lumenos GHSA 77	Aetna QPOS OA Ap-08 HSA	Aetna QPOS OA C-08 HSA	ConnectiCare POS OA (58) HGVI-HGWF HSA	ConnectiCare FlexPOS (65) 15-25-2000 B HSA	UHC featuring Oxford Freedom HSA Direct 5	UHC featuring Oxford Freedom HSA Direct 6
Total monthly cost:	\$1,948.34	\$2,422.94	\$2,084.00	\$1,849.00	\$2,174.93	\$2,320.82	\$2,046.01	\$1,738.82
Percentage change over current:	0.00%	24.36%	6.96%	-5.10%	11.63%	19.12%	5.01%	-10.75%
IN-NETWORK BENEFITS	EMPLOYEE'S COST SHARE							
Benefits (Calendar/Plan Year)	Plan Year	Plan Year	Plan Year	Plan Year	Plan Year	Plan Year	Plan Year	Plan Year
Individual/Family Deductible	\$3,000/\$6,000	\$3,000/\$6,000	\$2,200/\$4,400 Up-Front Ded.	\$2,800/\$5,600 Up-Front Ded.	\$2,500/\$5,000 Up-Front Ded.	\$2,000/\$4,000 Up-Front Ded.	\$2,000/\$4,000 Up-Front Ded.	\$2,850/\$5,700 Up-Front Ded.
Out-of-pocket Max (Ind./Fam)	\$4,000/\$8,000	\$4,000/\$8,000	\$2,700/\$5,400	\$3,300/\$6,600	N/A	\$5,000/\$10,000	\$5,000/\$10,000	\$5,000/\$10,000
Primary Care Physician Office Visit	No charge after ded.	No charge after ded.	No chg after ded.	No chg after ded.	No charge after ded.	\$15.00 after ded.	No charge after ded.	No charge after ded.
Specialist Physician Office Visit	No charge after ded.	No charge after ded.	No chg after ded.	No chg after ded.	No charge after ded.	\$25.00 after ded.	No charge after ded.	No charge after ded.
Inpatient Hospital Services	No charge after ded.	No charge after ded.	No chg after ded.	No chg after ded.	No charge after ded.	\$100/day up to \$500/year after ded.	No charge after ded.	No charge after ded.
Outpatient Surgery Services	No charge after ded.	No charge after ded.	No chg after ded.	No chg after ded.	No charge after ded.	\$100.00 after ded.	No charge after ded.	No charge after ded.
Laboratory Services	No charge after ded.	No charge after ded.	No chg after ded.	No chg after ded.	No charge after ded.	No charge after ded.	No charge after ded.	No charge after ded.
High-cost Outpatient Tests <i>(MRI, MRA, CAT, CTA, PET, Spect Scans)</i>	No charge after ded.	No charge after ded.	No chg after ded.	No chg after ded.	No charge after ded.	\$75/service; \$375 co-pay max/mbr/yr after ded.	No charge after ded.	No charge after ded.
Emergency Room Services	No charge after ded.	No charge after ded.	No chg after ded.	No chg after ded.	No charge after ded.	\$150.00 after ded.	No charge after ded.	No charge after ded.
Prescription Drug Benefit	\$10/\$25/\$40 after plan deductible	\$10/\$25/\$40 after plan deductible	\$10/\$25/\$40 after plan deductible	\$10/\$25/\$40 after plan deductible	\$15/\$25/\$40 after ded.; \$1,000/\$2,000 out-of-pocket rx max	\$15/\$25/\$40 after ded.; \$750/\$1,500 out-of-pocket rx max	\$15/\$25/\$40 after ded. (see footnote)	\$15/\$25/\$40 after ded. (see footnote)
Durable Medical Equipment	No charge after ded. unlimited maximum per calendar year	No charge after ded. unlimited maximum	50% of the cost; \$2,000 benefit max. per calendar year	50% of the cost; \$2,000 benefit max.	No charge after ded. \$1,500 benefit max.	No charge after ded. \$1,500 benefit max.	No charge after ded. \$1,500 benefit max.	No charge after ded. Unlimited maximum (benefit rider)
OUT-OF-NETWORK BENEFITS								
Individual/Family Deductible	Comb w/in-net ded.	Comb w/in-net ded.	\$3,000/\$6,000	\$3,000/\$6,000	\$4,000/\$8,000	\$4,000/\$8,000	\$2,000/\$4,000	\$2,850/\$5,700
Co-insurance	70/30%	70/30%	70/30%	70/30%	70/30%	70/30%	70/30%	70/30%
Individual/Family Out-of-pocket Max.*	\$6,000/\$12,000	\$6,000/\$12,000	\$7,000/\$14,000	\$8,000/\$16,000	\$6,000/\$12,000	\$6,500/\$13,000	\$5,000/\$10,000	\$5,850/\$11,700

New Standard Institute Inc., Continued

	<u>Current Rates</u>	<u>Renewal Rates</u>	<u>Alternative Rates</u>					
	Anthem BC/BS Lumenos GHSA 77	Anthem BC/BS Lumenos GHSA 77	Aetna QPOS OA Ap-08 HSA	Aetna QPOS OA C-08 HSA	ConnectiCare POS OA (58) HGVI-HGWF HSA	ConnectiCare FlexPOS (65) 15-25-2000 B HSA	UHC featuring Oxford Freedom HSA Direct 5	UHC featuring Oxford Freedom HSA Direct 6
Michael Brown, EE	\$621.78	\$759.47	\$684.00	\$608.00	\$689.41	\$735.65	\$684.51	\$581.73
David DaCruz, EE (COBRA)	\$177.20	\$269.75	\$216.00	\$192.00	\$227.35	\$242.61	\$196.63	\$167.10
Cristian Hildago, EE	\$177.20	\$203.06	\$190.00	\$168.00	\$198.25	\$211.55	\$170.21	\$144.66
Michael Konopka, EE	\$177.20	\$203.06	\$190.00	\$168.00	\$198.25	\$211.55	\$170.21	\$144.66
Tessa Marquis, EE	\$617.76	\$784.54	\$614.00	\$545.00	\$663.42	\$707.91	\$654.24	\$556.01
Keiran Sobel, EE	\$177.20	\$203.06	\$190.00	\$168.00	\$198.25	\$211.55	\$170.21	\$144.66
Total Monthly Cost	\$1,948.34	\$2,422.94	\$2,084.00	\$1,849.00	\$2,174.93	\$2,320.82	\$2,046.01	\$1,738.82

* The out-of-pocket maximum is a combination of the deductible and co-insurance charges. It does not include balance billing charges.
 This is a brief overview of the plan designs & associated costs. The Summary Plan Booklet will prevail in the event of any discrepancies.
 Rates are subject to change without notice.

United Healthcare featuring Oxford footnote for prescription co-payments- there is an out-of-pocket cap of \$5,000/\$10,000 which includes the medical services only out-of-pocket maximum.

~ CBIA: HC2 \$2,500 E HSA: NEW BUSINESS Deductible is PLAN YEAR FOR OXFORD.

CBIA: Oxford has a calendar year benefit period and Cigna, Health Net and ConnectiCare have a plan year benefit period unless otherwise noted above.

Prepared 2/19/2010

New Standard Institute Inc.

Milford, CT 06460

Presented by Gowrie Group

April 1, 2010

	<u>Current Rates</u>	<u>Renewal Rates</u>	<u>Alternative Rates</u>				
	Anthem BC/BS Lumenos GHSA 77	Anthem BC/BS Lumenos GHSA 77	Anthem BC/BS Lumenos GHSA 78	Anthem BC/BS Lumenos GHSA 79	CBIA HC2 \$2,500 (B) HSA-POS ConnectiCare	CBIA HC2 \$2,500 (E) HSA ConnectiCare	CBIA HC2 \$2,500 (E) HSA Oxford
Total monthly cost:	\$1,948.34	\$2,422.94	\$2,231.22	\$2,051.54	\$2,174.93	\$2,210.70	\$1,959.34
Percentage change over current:	0.00%	24.36%	14.52%	5.30%	11.63%	13.47%	0.56%
IN-NETWORK BENEFITS	EMPLOYEE'S COST SHARE						
Benefits (Calendar/Plan Year)	Plan Year	Plan Year	Plan Year	Plan Year	Plan Year	Plan Year	Plan Year
Individual/Family Deductible	\$3,000/\$6,000	\$3,000/\$6,000	\$3,000/\$6,000	\$5,000/\$10,000	\$2,500/\$5,000 Front Ded. Up	\$2,500/\$5,000 Front Ded. Up	\$2,500/\$5,000 Up-Front Ded.
Out-of-pocket Max (Ind./Fam)	\$4,000/\$8,000	\$4,000/\$8,000	\$5,000/\$10,000	\$5,800/\$11,600	\$3,500/\$7,000	\$3,000/\$6,000	\$3,000/\$6,000
Primary Care Physician Office Visit	No charge after ded.	No charge after ded.	20% after deductible	No charge after ded.	No charge after ded.	No charge after ded.	No charge after ded.
Specialist Physician Office Visit	No charge after ded.	No charge after ded.	20% after deductible	No charge after ded.	No charge after ded.	No charge after ded.	No charge after ded.
Inpatient Hospital Services	No charge after ded.	No charge after ded.	20% after deductible	No charge after ded.	No charge after ded.	No charge after ded.	No charge after ded.
Outpatient Surgery Services	No charge after ded.	No charge after ded.	20% after deductible	No charge after ded.	No charge after ded.	No charge after ded.	No charge after ded.
Laboratory Services	No charge after ded.	No charge after ded.	20% after deductible	No charge after ded.	No charge after ded.	No charge after ded.	No charge after ded.
High-cost Outpatient Tests <i>(MRI, MRA, CAT, CTA, PET, Spect Scans)</i>	No charge after ded.	No charge after ded.	20% after deductible	No charge after ded.	No charge after ded.	No charge after ded.	No charge after ded.
Emergency Room Services	No charge after ded.	No charge after ded.	20% after deductible	No charge after ded.	No charge after ded.	No charge after ded.	No charge after ded.
Prescription Drug Benefit	\$10/\$25/\$40 after plan deductible	\$10/\$25/\$40 after plan deductible	\$10/\$25/\$40 after plan deductible	\$10/\$25/\$40 after plan deductible	\$15/\$25/\$40 after plan deductible	\$15/\$25/\$40 after plan deductible	\$15/\$25/\$40 after plan deductible
Durable Medical Equipment	No charge after ded. unlimited maximum per calendar year	No charge after ded. unlimited maximum per calendar year	20% after deductible	No charge after ded.	No charge after ded.; \$1,500 benefit max.	No charge after ded.; \$1,500 benefit max.	No charge after ded.; \$1,500 benefit max.
OUT-OF-NETWORK BENEFITS							
Individual/Family Deductible	Comb w/in-net ded.	Comb w/in-net ded.	Comb w/in-net ded.	Comb w/in-net ded.	\$4,000/\$8,000	\$3,000/\$6,000	\$3,000/\$6,000
Co-insurance	70/30%	70/30%	60/40%	70/30%	70/30%	70/30%	70/30%
Individual/Family Out-of-pocket Max.*	\$6,000/\$12,000	\$6,000/\$12,000	\$10,000/\$20,000	\$10,000/\$20,000	\$6,000/\$12,000	\$5,000/\$10,000	\$5,000/\$10,000

New Standard Institute Inc.; Continued

	<u>Current Rates</u>	<u>Renewal Rates</u>	<u>Alternative Rates</u>				
	Anthem BC/BS Lumenos GHS A 77	Anthem BC/BS Lumenos GHS A 77	Anthem BC/BS Lumenos GHS A 78	Anthem BC/BS Lumenos GHS A 79	CBIA HC2 \$2,500 (B) HSA-POS ConnectiCare	CBIA HC2 \$2,500 (E) HSA ConnectiCare	CBIA HC2 \$2,500 (E) HSA Oxford
Michael Brown, EE	\$621.78	\$759.47	\$699.19	\$642.72	\$689.41	\$700.75	\$655.51
David DaCruz, EE (COBRA)	\$177.20	\$269.75	\$248.49	\$228.53	\$227.35	\$231.09	\$188.30
Cristian Hildago, EE	\$177.20	\$203.06	\$187.09	\$172.13	\$198.25	\$201.51	\$163.00
Michael Konopka, EE	\$177.20	\$203.06	\$187.09	\$172.13	\$198.25	\$201.51	\$163.00
Tessa Marquis, EE	\$617.76	\$784.54	\$722.27	\$663.90	\$663.42	\$674.33	\$626.53
Keiran Sobel, EE	\$177.20	\$203.06	\$187.09	\$172.13	\$198.25	\$201.51	\$163.00
Total Monthly Cost	\$1,948.34	\$2,422.94	\$2,231.22	\$2,051.54	\$2,174.93	\$2,210.70	\$1,959.34

* The out-of-pocket maximum is a combination of the deductible and co-insurance charges. It does not include balance billing charges.

This is a brief overview of the plan designs & associated costs. The Summary Plan Booklet will prevail in the event of any discrepancies.

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