CONNECTICUT ASSOCIATION of NONPROFITS

*...to serve, strengthen and support Connecticut's nonprofit community.*

**Testimony before the Insurance & Real Estate, Human Services and Public Health Committees**
**2.14.11**

**In support of**
**HB 6308, AA Establishing the Connecticut Healthcare Partnership**
**HB 6305, AAC Implementation of the SustiNet Plan**

Senators Crisco, Musto and Stillman, and Representatives Megna, Tercyak and Ritter and members of the committees, my name is Ron Cretaro and I am the Executive Director of Connecticut Association of Nonprofits (CT Nonprofits). We represent over 500 nonprofits, 300 of which hold purchase of service contracts with the state to provide health and human services on its behalf. I am here in support of both the CT Healthcare Partnership and implementation of the SustiNet Plan.

**HB 6308**

CT Nonprofits applauds each Committee, Speaker Donovan and others for once again taking steps to ensure more comprehensive healthcare coverage in Connecticut. We support the Connecticut Healthcare Partnership, which will open the state employee health insurance pool to nonprofits and small businesses.

Nonprofit employers, like many other employers, continue to face years of skyrocketing healthcare prices. Annual percentage rate increases in the double digits leave nonprofit directors struggling to keep costs down for their employees. No funding increases for nonprofits mean that not only can they not give wage increases to their employees, but when healthcare costs rise, they are forced to pass that increase onto employees in the form of higher cost-sharing and co-pays. Nonprofit employees, who make significantly less than their public sector counterparts, simply cannot afford these constant increases. It is a matter of sustainability for nonprofits as well as our ability to stay competitive as operating costs increase and income and revenue become more difficult to obtain.

Opening the state employee health insurance plan will allow smaller nonprofits to take advantage of a much larger pool with significantly increased purchasing power. The lower premiums and co-pays associated with this healthcare plan are a welcome option for our state's nonprofit providers. As we indicated in previous years, the cost of joining the state employee health insurance plan may not be affordable for all nonprofits, but it will certainly be a viable option for some. Again, we thank the Speaker and welcome this additional choice for nonprofit organizations and their employees.

**HB 6305**

We also support HB 6305 and the implementation of the SustiNet Plan. The SustiNet Board of Directors released a comprehensive final report in January outlining a plan that promotes access to high-quality health care that is effective, efficient, safe, timely, patient-centered and equitable.

The SustiNet Board's final report recommends ways the state can control health care costs, save money and spend taxpayer's health care dollars more wisely. Improving our healthcare system to ensure that it covers everyone and costs are reduced is an economic imperative for our state. As previously mentioned, nonprofit employers, like many other employers, have been facing years of rising healthcare costs that are growing more and more difficult to sustain. The high cost of healthcare puts all businesses, including nonprofits at a severe disadvantage and leads to lower wages and fewer jobs. HB 6305 calls for the SustiNet Plan to be offered to nonprofits at the earliest feasible date on or after January 1, 2012, which is a welcomed option for our state's nonprofits.

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Both the Connecticut Healthcare Partnership and SustiNet are important steps towards comprehensive healthcare coverage for all Connecticut residents. CT Nonprofits believes that quality, adequate healthcare coverage is a right for all citizens, not just those who can afford it. I urge the Legislature's support of both measures.

Thank you for your attention to this matter. Please do not hesitate to contact me with any questions.

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