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CONNECTICUT BUSINESS & INDUSTRY ASSOCIATION

TESTIMONY
BEFORE THE
INSURANCE AND REAL ESTATE COMMITTEE
LEGISLATIVE OFFICE BUILDING
JANUARY 25, 2011

My name is Eric George and I am Associate Counsel for the Connecticut Business & Industry Association (CBIA). CBIA represents approximately 10,000 businesses throughout Connecticut and the vast majority of these are small companies employing less than 50 people.

While the federal government has passed health care reform, more needs to be done to lower costs. More needs to be done to improve the health of our citizens. Employers find health care costs rising faster than other input costs. Some providers are unable to generate sufficient patient revenue to cover costs. Some patients cannot get timely access to optimal care. And too many individuals remain without health insurance, engage in unhealthy behaviors and live in unhealthy environments.

For the business community, the issues of health care quality, cost and access are critical. After numerous years of double-digit and near-double-digit increases, health insurance has quickly become a product that many people and companies find they can no longer afford. In addition, the cost of health care directly affects businesses' ability to create new jobs.

With that, CBIA would like to briefly comment on **SB 16, AN ACT CONCERNING STANDARDS FOR HEALTH CARE PROVIDER CONTRACTS**. In past years, bills concerning the standards in health care provider contracts have been negotiated by advocates from both the insurance industry and the physician community. We have had concerns with previous standards legislation that by limiting carriers ability to craft these contracts may have the unintended consequence of increasing premiums. Connecticut's employers and residents are already facing exorbitant health care costs and we urge you not to adopt any legislation that increases these costs. We hope that as you proceed toward crafting this legislation, that the end result does not increase health care costs for the payer community – of which employers make up the largest percentage.

Thank you for the opportunity to offer CBIA's comments on this legislation. I look forward to working with you on this and other issues related to the reforming Connecticut's health care system.