

Testimony of

The Association of Retired Teacher of Connecticut

Senate Bill 16 AAC Standards for Health Provider Contracts

To the Insurance and Real Estate Committee

January 25, 2011

Good afternoon Senator Crisco, Representative Megna and members of the Insurance and Real Estate Committee. My name is Sandra Bove and I am the Co-Chair of the Legislative Committee for the Association of Retired Teachers of Connecticut (ARTC). ARTC, founded in 1946 represents over 10,000 retired Connecticut Teachers advocating for affordable health care and financial security for its members.

We are here today to voice our concern over **Raised Senate Bill 16: AAC Standards for Health Care Provider Contracts** specifically Sec. 5 of the bill. Our concern with Sec. 5 is that if implemented it removes key cost containment features that current statute provides for. Current practice provides that insurance providers may set fee schedules for both covered and non-covered services and health care providers must accept these fees schedules as a condition to being admitted to participate in the network. By removing these fee schedules health care providers will get the best of both worlds. They will be admitted into the network but will no longer have to adhere to fee limitations. This has the potential of dramatically raising costs for Connecticut's retired teachers who already are struggling with rising costs while living on fixed incomes.

ARTC feels that the benefits health care providers receive from being included in a health insurance network and thus having access to thousands of potential patients is more than compensation for accepting a predetermined fee schedule. The ability to set fee schedules is vital to keeping the overall costs of health and dental insurance at reasonable levels.

ARTC opposes Sec. 5 of Raised Senate Bill 16 and urges the members of the Insurance and Real Estate Committee to reject this language and help Connecticut's retirees maintain affordable and quality health insurance. If you have any concerns ARTC and its membership will be happy to discuss these with you.

Respectfully,

Sandra Bove

ARTC Legislative Committee Co-Chair