



Community Providers Association
Caring for Connecticut.

**Joint Public Hearing
Insurance, Public Health and Human Services Committees
February 14, 2011**

H.B. 6308 An Act Establishing the CT Healthcare Partnership

I am Terry Edelstein, President/CEO of the Connecticut Community Providers Association (CCPA). I am pleased to provide testimony today in support of H.B. 6308 An Act Establishing the CT Healthcare Partnership.

The Connecticut Community Providers Association (CCPA) represents organizations that provide services and supports for people with disabilities and significant challenges including children and adults with substance use disorders, mental illness, developmental, and physical disabilities. Community providers deliver quality health and human services to 500,000 of Connecticut's residents each year. We are the safety net.

The CT Healthcare Partnership would extend healthcare coverage to nonprofit employers and our employees. We have supported similar legislation in previous sessions and continue to be in favor of this strategy for expanding the pool of covered lives to include nonprofit employers and our employees. This revamped legislation includes opportunity to insure retirees under the Program. It provides flexibility to nonprofit employers who, for a variety of reasons, may not be seeking to insure all employees.

The timing for such legislation couldn't be more critical. Once again all employers, including nonprofit employers have been faced with spikes in healthcare premiums. The annual increases of over 10% a year have taken their toll. As employers, we have had to increase the contributions of our employees for them to continue in our healthcare coverage. We have restructured our plans to increase co-pays and deductibles. Many of us have converted our plans to Health Savings Accounts, most with very high deductibles. While these plans encourage

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employee saving and management of their healthcare expenses, they also provide a disincentive to care. And it doesn't take much to wipe out an employees' HSA reserve.

And as community providers we have faced over twenty years with minimal increases in funding for services provided for people with disabilities on behalf of the state. The comparative chart that we've used to depict the funding shortfalls is all the more telling when you review it in the context of the cost of healthcare. <http://www.ccpa-inc.org/documents/CCPACPIandMedical1987-10pdf.pdf> While community providers have received increases of 33.16% since 1987, the Medical CPI has increased by 200.1%. This over 200% increase starkly demonstrates our ever increasing costs to provide health insurance to our employees.

The CT Healthcare Partnership legislation will provide an important opportunity for nonprofit employers to provide healthcare coverage as part of a larger pool of workers, ideally realizing the cost-effectiveness and cost savings that this larger pool can bring.

We look forward to participating on the Private Sector Health Care Advisory Committee described in Sec. 6 so that we can give direct input into the process.