

February 14, 2011 -- Testimony to the Joint Public meeting of the Connecticut Insurance and Real Estate Committee, Human Services Committee and Public Health Committee

My name is James Stirling. I live in Bethany and serve on the **Amity Board of Education**. I am a licensed **insurance agent** and CEO of Stirling Benefits, Inc., a Third Party Administrator. We design health plans and adjudicate claims. I work with the group **Small Businesses for a Healthy Connecticut** and served on a **Health First** and **SustiNet subcommittee**.

You've heard how the numbers work for SustiNet. Let me address some of the skepticism.

Health Reform Uncertainty

Critics argue that uncertainty over future Health Reform is holding back job growth. The reality is today's costly health insurance keeps CT hiring down. That, and the cost of local and state government. SustiNet can do something about both.

Governor Roland gave the unions a 20 year deal on the current state plan. That plan is now obsolete. I don't think any of you would try to run the state on fifteen year old computers. Why should we expect a 1990's plan design to perform as well as a state-of-the-art program? SustiNet reflects what is possible within the existing union agreements; it builds on the work of other states and will reduce the cost of Husky and Medicaid. **SustiNet pays for health, not healthcare.**

Jobs

Critics are fear mongering about a loss of insurance jobs. Will a new plan run itself? Of course not; the state will still need the expertise of plan administrators. But SustiNet does not just give the checkbook to the insurer. The medical community helped develop the plan so that our tax dollars can be deployed more effectively. I believe SustiNet will create new jobs and opportunities in the private sector.

Adverse Risk Selection

Some suggest that expanding the program will enlarge state government. The bill includes pragmatic underwriting to protect against adverse risk selection. All non-state groups have to be self supporting. **SustiNet offers no free ride.**

Business support

Some who purport to represent businesses also earn revenue from insurance sales; including some chambers of commerce and prominent CT industry and business associations. While I am a member of and work with these groups on areas of common purpose, on this topic, reasonable people can disagree.

I've not met a single business person who is against innovating to reduce costs. And if leveraging state purchasing power conveys to municipalities, businesses and individuals a new and improved health plan option, most say: "what's wrong with that?" Even insurance agents generally agree that more options are good for their clients.

Bipartisanship

This should be a bipartisan vote. SustiNet can be defended by the numbers alone. A vote for SustiNet is to modernize the way we do business at the state level. We'll all benefit from that.

Thank you.