

**Sustinet Testimony - HB 6305**

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My name is Lori Franklin, and I am a resident of the town of Bridgewater. I am testifying today in two capacities: as a member of Bridgewater's Board of Finance, and as a small business owner who has dealt with the private, "for-profit" health care industry for the last twenty years.

I have just completed my first year on Bridgewater's Board of Finance and have seen first hand the complex problems our health care costs pose. Each year, as we await the inevitable premium increases and our insurance agent's search for the most reasonable rates available, our health insurance line item is the last to be completed in our budget. Last year Bridgewater spent over \$220,000 to insure its 10 full time employees. This year's cost is over \$230,000. This represents ten percent of Bridgewater's operating budget. Our Selectman has also just been informed that the town also will be facing a twenty percent increase in our workman's compensation insurance costs next year. Our town is not required to provide health insurance for its non-union workers, but we do so because it is so important to our employees and their families. The ability to buy into the large group plan like Sustinet would help Bridgewater continue to be able to provide this important benefit.

I am also here to testify as a small business owner. My husband and I each own and operate our own small businesses. We have two children, ages 20 and 12. As I said before, we have been purchasing our own health insurance for the last twenty years. I can tell you that we have paid far more into that system than we have gotten out of it. We have each had only one minor surgery over the past twenty years, and our children are healthy. In other words, we rarely have to see doctors. Yet every year, we are faced with the daunting task of shopping for a new health care plan as we watch our premiums rise from fifteen to twenty percent over the previous year. In 2007, our yearly premium for a moderately comprehensive family plan reached \$16,000. Since then, we have been able to get our yearly premiums down to about \$12,000, by having a combination of all or parts of our family on an HSA (Health Savings Account) high deductible plan. Our family's current deductible is \$6000. This means that we fund our own health savings account, and pay all of our medical expenses out of our own pockets, after sending the 12,000 in premiums to our health insurance company. I can tell you that this results in fewer visits to the doctor and virtually no preventative screenings, as we try to manage our ballooning costs.

A large, non-profit group plan like Sustinet would not only help our family manage our costs, but Sustinet would benefit from the premiums that a younger, healthier family like mine would pay into it. Far more of these premium dollars would be going toward actual health care- that of the other members of the group, and our own, should we ever need it, than to the profits, outsized executive compensation, and the high overhead of the "for-profit" health insurance industry.