



**AARP Testimony**  
**H.B. 6305-- An Act Concerning Implementation of the Sustinet Plan**  
**February 14, 2011**

Good morning. My name is John Erlingheuser. As AARP Connecticut Advocacy Director, I am here representing nearly 600,000 members of AARP in the state, but I also speak for residents of all ages in applauding you on considering proposals today to increase access to affordable, quality health care in Connecticut through both independent state reforms and implementation of federal reforms in the Affordable Care Act.

AARP believes that all individuals have a right to health care services when they need them; coverage that provides adequate financial protection against health care costs; high quality health care; a reasonable choice of health care providers; and the financing of the system should be equitable, broadly based and affordable to all.

Accordingly, AARP supports the overall objectives of H.B. 6305 and the Sustinet framework. H.B. 6305 contains some important concepts that AARP supports and believes can be the foundation for comprehensive health care reform. We were proud to support legislation setting up Sustinet two years ago and we are pleased to have this opportunity to highlight key provisions in the implementation of Sustinet and discuss areas of improvement. The passage of the federal Affordable Care Act provides new incentives and opportunities for coordinating Sustinet with federal health care reform.

One of the key strengths of the Sustinet proposal is that it provides another option for coverage for many groups and starting in 2014, another option under the Affordable Care Act for individuals. Sustinet builds a new health care plan from health coverage already funded by Connecticut taxpayers. It merges state employees and retirees with Medicaid and Charter Oak participants. Eventually, Sustinet will expand to also include: (A) nonstate public employers, (B) municipal-related employers, (C) small employers, and (D) nonprofit employers, providing another option for health care coverage to those groups. And, starting in 2014, Sustinet will be offered as an option to individuals through the health care exchange. Despite the new options available through Sustinet, people satisfied with their existing private coverage can keep it preserving personal choice, which we believe is critical.

Additionally, H.B. 6305 encourages the inclusion of care management, provides for preventive screening, tackles chronic disease management, addresses the need to reduce disparities in health care based on race or ethnicity and provides for an improved payment system where quality is rewarded. These changes should promote high-quality medical care, efficient service delivery, cost effectiveness, and reward providers for quality.

Although H.B. 6305 contains several positive provisions, the bill also raises some areas of concern for AARP. Most significantly for Connecticut's older residents is the lack of prohibition in rate variations based on individual characteristics such as age, gender, or health status. Such prohibitions were included in the 2009 Sustinet legislation. Without protections against age rating, older adults will pay several times more than a younger person for the same insurance plan simply because of their age. The variation in cost for older adults is a contributing factor for the growing number of uninsured between the ages 50 to 64. In Connecticut, 70,405 residents age 50-64 are uninsured, making up one of the fastest growing groups of uninsured in our state. Limits on rate variation—with age rating limited to 3-to-1—are included in the federal Affordable Care Act starting in 2014, but AARP believes H.B. 6305 should enact those limits earlier for Sustinet products.

AARP also has concerns about the composition of the board of directors for the "Sustinet Plan Authority." As to consumers, the board includes: two Sustinet Plan members, a union representative, and a "mental health advocate." AARP believes that the appointment of two Sustinet Plan members might be too broad to assure the best representation in terms of skill and training. We propose that "consumer advocates" be added in addition to Sustinet Plan members on the board. The legislature should also consider whether the state Health Care Advocate would be appropriate to fill one of those consumer advocate positions. Another voice that is absent, but needed, is an advocate for Medicaid patients. These recommendations are intended to strengthen the consumer voice on the Sustinet Plan Authority.

Next, we were disappointed to learn that the patient safety committee, which was included as part of the final recommendations for Sustinet, was not ultimately included in H.B. 6305. Patient safety and quality is critically important to any health care reform proposal and we respectfully ask this committee to reconsider the decision to eliminate the patient safety committee.

Finally, AARP is concerned with the broad waiver of liability contained in section 13. AARP supports the incorporation of evidence-based medicine, objective comparative analysis of the effectiveness of various treatment alternatives, and clinical care guidelines as a potential means to reduce medical errors and improve quality of care. However, we are not comfortable with the elimination of all provider liability for avoidable injury to patients contained in §13. For example, there should be some recourse against the board if they are negligent in developing the guidelines. It is possible that the board might choose a guideline based on low cost rather than competing guidelines that have been shown to lead to better outcomes.

Furthermore, the provisions in section 13 could lead to unintended consequences. For example, if a doctor has to choose between two treatments both of which have significant risks for poor outcomes and potential malpractice claims, and reasonably believes that the non-guideline treatment is the best alternative for the patient, he might choose to follow the guideline simply to avoid a malpractice claim. There is also the inequity of creating a two-tier liability scheme: one for individuals in Sustinet and another for everyone else. Only those in Sustinet are restricted from suing to recover for certain damages.

Overall, AARP believes that there are many noteworthy provisions in H.B. 6305. We believe that the quality work represented by the Sustinet Plan over the past several years and other efforts underway in Connecticut to implement the Affordable Care Act, have positioned our state to lead the way in health care reform. AARP looks forward to working with you as a constructive partner to promote consensus and ultimately deliver affordable, quality health care to all Connecticut residents. Thank you.