



Office of the  
Healthcare  
Advocate  
STATE OF CONNECTICUT

**Testimony of Victoria Veltri  
State Healthcare Advocate  
Before the Insurance and Real Estate Committee  
In Re HB 5485  
March 15, 2012**

Good afternoon, Representative Megna, Senator Crisco, Senator Kelly, Representative Sampson, and members of the Insurance and Real Estate Committee. For the record, I am Vicki Veltri, State Healthcare Advocate with the Office Healthcare Advocate ("OHA"). OHA is an independent state agency with a three-fold mission: assuring managed care consumers have access to medically necessary healthcare; educating consumers about their rights and responsibilities under health insurance plans; and, informing you of problems consumers are facing in accessing care and proposing solutions to those problems.

While the collaborative spirit implicit in HB 5485 is evident, passage of this bill would jeopardize the statutory role of the Exchange Board and impede its progress in the development of the Connecticut Health Insurance Exchange.

Public Act 11-53 created the Health Insurance Exchange Board with the explicitly stated goals under Sec. 38a-1083(b): "to reduce the number of individuals without health insurance in this state and assist individuals and small employers in the procurement of health insurance by, among other services, offering easily comparable and understandable information about health insurance options."

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Sec. 38a-1083(20) further requires that the Exchange: "Do all acts and things necessary and convenient to carry out the purposes of the exchange...." This includes the assessment and selection of a benchmark plan in compliance with the provisions of PPACA and subject to Essential Health Benefit bulletins issued by the U.S. Department of Health and Human Services. The General Assembly designed the Board to include a depth of expertise in subject areas of relevance to all of the stakeholders involved in the development of the Exchange, including members with expertise in the area of individual health insurance coverage, issues relating to small employer health insurance, health care, health care benefits plan administration, health care delivery systems, health care economics, issues faced by self-employed individuals and issues concerning barriers to individual coverage.

The Board remains the most appropriate body to make the benchmark plan determination, given the range of expertise, experience and advocacy. In addition, the Board has been actively researching and collaborating on this issue for several months and, as such, has a great deal of information and history. Moving responsibility from the Board to the Insurance and Real Estate Committee will delay the progress of the design.

HB 5485 also removes the Basic Health Program (BHP) as an option. Even though the Exchange aspires to provide coverage for individuals with income above 133% FPL, studies have shown that, even with federal subsidies to assist this low income population, premiums and associated cost-shares are likely to be out of reach for most of this population. However, PPACA considers this possibility and permits the creation of a BHP which, by shifting the available subsidies to the state for the implementation of such a program, would create a cost neutral option, increase provider rates, decrease

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the impact of churning between plans, which is a real concern for this population, and provide equity in healthcare reform. The unintended effect of the prohibition of a BHP effectively ensures that a significant number of Connecticut citizens will remain uninsured, contrary to the statutory mandate of the Board and the Affordable Care Act. It may also jeopardize potential cost savings from improved access to preventative and acute care.

Thank you for providing me the opportunity to deliver OHA's testimony today. If you have any questions concerning my testimony, please feel free to contact me at [victoria.veltri@ct.gov](mailto:victoria.veltri@ct.gov).

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