NASW National Association of Social Workers / Connecticut Chapter

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Testimony On:

Senate Bill 259: An Act Establishing The Connecticut Healthcare Partnership

Labor Committees
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The National Association of Social Workers, Connecticut Chapter, representing over 3200 members, supports SB 259.

As a small non-profit employer that is committed to providing comprehensive health insurance to eligible employees we have found that our options for coverage are extremely limited. First limited as to the number of insurers who will write a policy for a group of up to four employees and then further limited as to finding comprehensive coverage that is affordable given our organization's budget.

Currently the two pooling choices we have are the Chamber of Commerce and the Connecticut Business and Industry Association (CBIA). Together these two organizations have a near monopoly on the options available for many of the small nonprofits such as NASW/CT. These two options however require payment of membership dues in order to access their health insurance plans which is troublesome to us, because both of these organizations spend significant resources lobbying the Legislature for the advancement of policy positions that are directly opposite of the positions taken by NASW, CT Chapter. We do not object to these organizations lobbying on their issues however we cannot support these organizations through dues. Instead we have purchased insurance directly through an insurer, which means we have no buying power. The rate increase in 2010 was 24%, in 2011 was 9%, and in 2012 just under 10%.

At present two of four eligible employees have opted out of the health insurance plan. However, if all the eligible employees sign up for the coverage we would need to cut approximately $20,000 from the current operating budget, meaning we would have to cut staff hours or would have to raise the employee contribution on premiums to an unaffordable percentage. In fact this year we had to cut 3 hours per week in staffing to afford coverage of a new employee who opted into our health plan.

Besides the value to NASW/CT this bill will offer many of our members in independent practice with an option for purchasing of health insurance. We estimate that at least 800 of our members are in solo or small group practices and for those who do not have coverage through a spouse or partner finding suitable options for health care coverage is difficult and often unaffordable. Bill 259 will provide these clinical social workers, who are running their own mental health practice, with a choice for coverage that gives them premium rates based on a pooled plan.

Opening up the state employee health plan to small businesses and non-profits would provide such employers, including NASW/CT, with a pooling option for health insurance coverage that would not require us to be contributing to an organization that promotes a political agenda that is counter to our own. It will also build in healthy competition in the small employer health insurance marketplace, which the Chamber of Commerce and CBIA should, as advocates of a free marketplace, support. At the same time opening the health plan to nonprofits would expand the number of covered individuals in the plan, which should allow the plan to negotiate more favorable coverage rates and increase the amount of premium dollars in the plan's fund. For our organization it could mean having additional dollars for expansion of staff hours and for some employers even allowing for the hiring of additional staff. Opening up the plan will create a win/win situation, good for the health plan, the state's nonprofits and small businesses.