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TO: Members of the Insurance Committee
RE: SB-596
DATE: January 31, 2013

My name is Alta Lash and I live 77 Mountford Street in Hartford, CT and I work with a group of health care consumers called Caring Families Coalition. I would like to testify in support of SB 596. This bill would allow the CT Health Insurance Exchange to negotiate on behalf of consumers with insurers for qualified health plans through the Exchange.

Affordability is a key requirement for the success of the Exchange. Consumers expect that the Exchange products will be affordable and will deliver a value for the price tag. It is no secret that health care costs are escalating and that health care is a major component of both government and household budgets. Connecticut consumers look to the Exchange to provide them affordable options for covering health care costs.

The affordability demand is true not only of the portion of the population that is low-income and thus will have subsidies to help with premium and cost sharing requirements, but also of the working, middle income population who are struggling to make ends meet. This group of people will not have the advantage of subsidizes and thus will have to pay the full premium, co-pays and deductible.

Given the demand for affordability across the population, the Exchange should not squander the opportunity to negotiate for price. Thousands of Connecticut residents using the Exchange form a substantial block of consumers who must purchase an insurance product.

Other states have opted for negotiation without any significant downside. Insurers are participating. Massachusetts and California either have instituted or plan to institute negotiating processes and indications are that they both have robust participation by insurers.

In closing, I would like to reiterate that the success of health care reform will be determined by the affordability of the insurance products and the value that they provide the purchaser in terms of access to care. Failure to take every opportunity to control the prices will not be received well by the buying public.

Thank you.