

Testimony of: Paul E Smith

In support of: SB 812 "An Act Concerning the Connecticut Health Insurance Board of Directors

Insurance and Real Estate Committee

Chairman Crisco and Chairman Megna; members of the committee

My name is: Paul E. Smith -- I am a Life and Health Insurance Agent focused on health insurance and helping small business owners and individual people for 40 years. I am the president of the Connecticut Benefit Brokers a Chapter of the National Association of Health Underwriters representing producers/brokers and their staffs representing more than Connecticut 2,500 employees.

I am testifying today regarding the SB 812 "An Act Concerning the Connecticut Health Insurance Board of Directors and the importance of having a "Broker on Board." The most obvious reason is that we as brokers deal with all of these issues every day, advising clients what would be best for them depending on their needs and circumstances.

Brokers like myself, have been involved in healthcare reform well before the Affordable Healthcare Act. We are involved locally and federally and you can find our association at the table, at the White House, the Health and Home Services Agency or at the office of our legislators in DC. , we are involved.

Today I would like to focus my comments on the issues of "Conflict of Interest."

- CT Statute and Legislative rules have held that as long as an individual will not benefit more than the similar class than there is no conflict.
- We work for our clientele in representing them regarding which health plan fits their need and circumstances.
- We are independent small business brokers that understand the new law.
- We do not work for the insurance carrier. There are a couple of companies that have direct sales people selling only products that their company offers.
- We help small business clients understand any obligations they have to their employees.
- We help them with their budgets, what the company offers for benefits and how does that decision affect each employee.
- We know what Husky is, Charter Oak, Medicaid and Medicare. We understand, know these programs well and who is eligible.
- We implement the laws, as passed by our local legislature in Connecticut, federal law and regulation changes.
- We implement the rules of the insurance company.

If we are something, we are possibly the “ham” in the ham sandwich, but we are by no means “a conflict.”

Ask yourself two questions. Have I purchased group health insurance for my employees? Have I ever purchased health insurance for myself?

Thank you for the opportunity to speak with you today on this important issue and we ask that you support the idea of helping the state’s small business community and individual purchasers of health insurance by having an active producer/broker on the Exchange Board.