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**TESTIMONY OF SHELDON TOUBMAN BEFORE THE INSURANCE AND REAL ESTATE COMMITTEE IN SUPPORT OF SB 957**

Members of the Insurance and Real Estate Committee:

My name is Sheldon Toubman and I am an attorney with New Haven Legal Assistance Association. I am here to testify **in support of SB 957**, An Act Establishing a Health Insurance Advisory Council.

I represent low-income individuals in need of health insurance. Private insurance under the new health insurance exchange under the Affordable Care Act (ACA) is going to largely be unaffordable for the folks I represent, and the only real solution to this problem is the adoption of a Basic Health Program which would provide Medicaid-like benefits to individuals up to 200% of poverty. However, the effort to get such a program on line for 2014 has faltered, so, at least in the short run, most of these individuals will have to buy insurance on the health insurance exchange. And, for those over 200% of poverty, the exchange will be the only option. For both groups, the availability of something approaching affordable, accessible coverage from the exchange is critical.

SB 957 creates a Council to advise the Connecticut Insurance Department (CID) on developing an effective rate review process, promoting affordability, and monitoring compliance with the ACA. Enrollees in plans on the exchange will have to rely on CID, at least in part, to regulate plans to be affordable. In addition, the ACA includes a set of important consumer protections that will need to be enforced by CID. These include:

- Guaranteed issue and renewal
- No gender rating
- No medical underwriting
- Limits on age-rating
- Cost sharing protections
- No annual or lifetime caps

An outside council is essential to make sure that CID does its job effectively. Without such an outside oversight body, in the mode of the Council on Medical Assistance Program Oversight which oversees the Medicaid program run by the Department of Social Services, systemic problems cannot be identified let alone corrected. Relying on individual complaints is not an effective strategy for ensuring compliance regarding the above requirements, as has been demonstrated through the work of the Medicaid Council. And absent an oversight body, it is unlikely that anyone will be able to monitor

network adequacy, a critical characteristic for determining meaningful coverage. This kind of monitoring necessarily requires an outside body with no conflict of interest in ensuring that the ACA's requirements are satisfied.

For all of these reasons, I urge you to pass favorably on SB 957, which will bring a basic level of accountability to the increasingly important role played by CID in the health insurance market.

Thank you for the opportunity to speak with you today.