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Insurance and Real Estate Committee

February 14, 2013

American Cancer Society Cancer Action Network Testimony

H.B. No. 6382 (RAISED) - An Act Concerning The Eligibility To Purchase A Health Benefit Plan Offered By The Connecticut Health Insurance Exchange.

We have made significant progress in recent years in addressing the cancer problem. Cancer death rates have decreased by 24% among men and 16% among women since the early 1990s (20% overall). Despite this significant progress, cancer patients and survivors face many challenges in an effort to find quality, affordable health care. The barriers can be significant and are a major obstacle to achieving our goal to reduce cancer incidence and mortality.

We must apply equally what we know about cancer prevention, early detection and treatment to ensure that all people—especially those in communities that suffer a disproportionate burden of cancer—benefit from major cancer breakthroughs. One step to that end is to increase the number of lower income individuals with meaningful health insurance coverage and affordable access to the full range of high quality cancer-related services, prevention through end of life.

The risk of death from cancer for the uninsured is a serious problem. A 2008 American Cancer Society study discovered that *uninsured cancer patients are nearly twice as likely to die within five years as those with private coverage*. Increased access to care, especially for a population at higher risk of cancer like low income individuals, will help to detect diseases such as cancer early, when there are more options for treatment and better chances of survival.

HB 6382 AN ACT CONCERNING THE ELIGIBILITY TO PURCHASE A HEALTH BENEFIT PLAN OFFERED BY THE CONNECTICUT HEALTH INSURANCE EXCHANGE conforms Access Health, the state Health Insurance Exchange, to Section 1331 of the Affordable Care Act. On the surface, this seems like a welcome increase of access to care, *however we have serious concerns that the bill will result in less access and ultimately higher health care costs as a result*.

Through changes to Medicaid enrollment eligibility as currently proposed through the Governor's 2014-2015 biennium budget, Adult parents that earn between 133% -200% FPL will be removed from Medicaid and made eligible to receive federal subsidies to purchase health care plans through the exchange. However, estimates indicate that subsidies will not completely cover all costs and coverage

will be unaffordable for many people. Additionally, currently under Medicaid, these enrollees do not have significant out of pocket expenses, which they would be exposed to through the exchange.

Increasing the out-of-pocket costs could have negative implications and unintended consequences on health outcomes. One of the biggest single issues for cancer patients is related to *cost-sharing*, because they have trouble meeting deductibles, paying their co-insurance for prescription drugs and treatment, and covering costs for physician visits and non-network specialty care.

Out-of-pocket costs for cancer patients vary substantially due to variations in both the cost of cancer treatments and drugs, and the adequacy of insurance plans. Given that 50% of health care costs are from 5% of the population - these are the individuals that need care the most. Raising the out-of-pocket costs will place undue economic burden on the people that need care the most. A cancer diagnosis can quickly translate to bankruptcy for families and in the worst-case scenarios, the inability to access potentially lifesaving treatments and medications.

A 2010 American Cancer Society Cancer Action Network poll of individuals under the age of 65 who have cancer or a history of cancer found that over the past 12 months, 34 percent delayed care because of the cost.

This bill, while intended to increase access to care, will result in out of pocket costs passed on to patients, affecting their ability to get the care they need. This proposal could put people with serious health care needs at risk—at risk of not being able to get the care they need when they need it because they cannot afford the care, and at risk of incurring higher medical costs when they do get care.

The American Cancer Society Cancer Action Network views the health insurance exchange as being critical to the success of health care reform. In order for cancer patients and their families to experience real changes in their ability to access, choose, and purchase comprehensive health insurance that meets their needs, policymakers must tackle critical challenges related to the design, implementation and governance of the new exchange. As always, we appreciate the opportunity to inform this process and are always available to work with the members of this committee to ensure greater access to health care for all of Connecticut's citizens.

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