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**Testimony before the Labor Committee
Re. 6614, AN ACT CONCERNING EMPLOYERS AND HEALTH CARE**

March 12, 2013

Submitted by Liz Dupont-Diehl, Policy Director, Connecticut Association for Human Services
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Good afternoon, Senator Osten and Representative Tercyak, and members of the committee. My name is Liz Dupont-Diehl and I am the Policy Director for the Connecticut Association for Human Services. CAHS seeks to end poverty and empower all families to build a secure economic future. CAHS produces research and analysis on child poverty and other issues as needed to drive advocacy, and we work to create fair opportunity for economic success for all families. CAHS also operates a number of programs to help people become self-sufficient, such as Volunteer Income Tax Assistance, financial literacy classes and helping people connect with eligible benefits to help them access health care, meet basic needs and become self-sufficient.

A task force to study the impact of employers whose workers must turn to the state for health insurance and recommend alternatives is a badly needed step with the potential to craft a thoughtful and effective policy solution to this growing problem.

In studying the high cost of low wages, we see that monthly SNAP benefits, energy assistance, Care for KIDS, HUSKY and WIC combined cost the state taxpayers some \$1,400 per month for a family of four with two children.

We have all read lately of employers such as COSTCO who opt to pay their workers fair wages and offer high-quality benefits. Others have testified before you that they support an increase in the minimum wage – because they pay more than the minimum wage anyway, knowing that workers need to make enough to pay their bills and contribute to the economy and be good customers. Employers who make choices such as this report lower turnover and improved effectiveness for their businesses in

devoted workers who are able to pay their bills and enjoy good health care. Employers who opt to do otherwise are shifting this cost to all of us taxpayers and gain an unfair advantage over the large number of employers who do the right thing.

Most very-low wage workers in Connecticut are in the retail sector and concentrated in large companies with more than 500 employees. We know of employers whose CEOs are making billions threatening to cut their workers' hours to avoid having to pay for their health insurance under the ACA, and that these companies are recording record profits – while taxpayers pay for their workers' health care.

As the Hartford Courant pointed out in a recent editorial, "Poverty is Expensive," and the state's budget deficit is driven in large part by concentrated poverty in our cities and by the rise in very poor people who need to rely on the state for their health insurance.

A Fair Share Health Care Task Force will focus attention where it belongs and allow us to move towards a fair solution. Thank you for the opportunity to offer testimony.

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