



*Quality is Our Bottom Line*

**Appropriations Committee Public Hearing**

**Friday, March 6, 2015**

**Connecticut Association of Health Plans**

**Testimony regarding**

**Department of Public Health (DPH)**

The Connecticut Association of Health Plans would like to express its reservations about the \$8.8 million transfer of various public health programs from DPH to the Insurance Fund which is financed by virtue of annual assessments on the insurance industry at-large. All things combined, the fund now proposed calls for \$79,896,863 of assessments in 2016 and \$81,307,094 of assessments in 2017 if you include the immunization fund assessment that was levied on the industry over the past few years - Page C-20.

Respectfully, the Association would ask that further consideration be given to the fund's growth and its impact on carriers particularly now that insurers are held to a strict Medical Loss Ratio by virtue of the Affordable Care Act whereby their ability to absorb additional administrative costs is limited.

Connecticut's health insurers applaud the Governor's recognition of the importance of the industry at-large and welcome the Administration's partnership moving forward. We are proud to have been engaged in the successful launch of Connecticut's Health Insurance Exchange last year and remain committed to the state and its vision to bring high quality affordable health care coverage to all its citizens. Should the transfer noted above ultimately move forward, we would respectfully ask for the opportunity to work with OPM and other agencies involved to develop an annual review of each program transferred within the context of a results based accountability assessment.

Many thanks for your consideration.