

February 3, 2015

Testimony on SB 12: **AN ACT CONCERNING THE CONNECTICUT HEALTH INSURANCE EXCHANGE BOARD OF DIRECTORS.**

Good morning Mr. Chairman and committee members.

Broker on the Board.

The Health insurance Broker/Agent is the most important piece of this healthcare reform and without this group of people the Health reform will continue to have an uphill battle. Recent changes in the law are understandable by the expert Health "Broker/Agent". The consumers who had the most difficult time during this process were those consumers without a broker or an agent. The broker understands the needs of the consumer and can interpolate the health reform to those needs. The regulations by the government and decisions by the insurance companies leave the consumer in the middle not knowing the correct way to navigate the system.

There is no doubt that the broker/agent would be very valuable to the board in helping the members understand exactly how the system works. As the Exchange Board moves forward and the changes from Washington continue to grow, the broker can advise as to how these changes effect the consumer. Most important how does these changes effect the Connecticut Exchange products.

In order for this body to embraces a Broker/Agent has part of the exchange board it would be very help to know what a brokers does. Submitted with my testimony is a list of what a broker do for the consumer and all for the same cost as consumers who does not use a broker. For years legislators have consider the brokers as a "conflict of interest"; this is so far from the truth. We work on behalf of our client, which could be an individual consumer, a small business owner or any of their employees all for no extra compensation except what is paid by the insurance company. The brokers' answers to the consumer not to the insurance company. Some insurance companies do have agents that would work directly for them and only them and only sell that particular insurance companies products. Ask yourself an important question before you make your decision about a broker being on the board; "Have I ever purchased insurance for myself or for my company and all its employees?" If the answer is no, then the answer should be easy or you need to further consultant with a broker/agent to understand more. If your answer is yes, then you will have no problem coming to a decision as to why we are so important.

Thank you for your time today.

Respectful submitted,

Paul E Smith

Licensed Broker/Agent, member of the National Association of Health Underwriters, Connecticut Chapter