

**TESTIMONY BEFORE THE
PUBLIC HEALTH COMMITTEE
LEGISLATIVE OFFICE BUILDING
MARCH 11, 2015**

My name is Jennifer Herz and I am Assistant Counsel for the Connecticut Business and Industry Association (CBIA). CBIA has been representing Connecticut's employers for 200 years and our goal is to foster a dynamic business climate. Our members include businesses from across the state of all sizes and industry types and we are proud to say the vast majority of our members are small companies employing less than 50 people.

CBIA appreciates the work over the summer of the Hospitals & Healthcare Roundtable – hearing from stakeholders and discussing ongoing policy issues surround healthcare in Connecticut.

CBIA's members are concerned about cost and quality of Connecticut's healthcare system. Connecticut employers help their employees pay for health insurance and rising premiums make it increasingly more difficult for employers to help their employees pay. In a recent survey, CBIA's members listed healthcare costs among the top 3 issues keeping them up at night – right behind national and state economy.¹ And, I am sure many of you have firsthand knowledge from your friends and neighbors about the concerns regarding the rising cost of health insurance. Equally important, employers' value the bottom line impact of healthy employees because that means a productive, innovative workforce.

A number of bills on today's agenda address healthcare policy matters that concern Connecticut employers, including:

- SB 810 An Act Establishing a Special Commission on Provider Price Variation and Reform**
- SB 812 An Act Concerning Electronic Health Records and Health Information Exchange**
- SB 813 An Act Concerning Health Care Price, Cost and Quality Transparency**
- SB 815 An Act Concerning Health Care Policy and Cost Containment**
- SB 687 An Act Concerning Notice to Patients of Costs for Routine Health Services**

¹ See 2014 Survey of Connecticut Business: http://www5.cbiam.com/newsroom/wp-content/uploads/2014/09/BlumShapiro_14.pdf (page 5)

Transparency and ongoing innovation are important tools to advance quality and affordability. And, Connecticut has shown through example its willingness to take on new initiatives – for example the State Innovation Model and the All Payers Claim Database – both growing out of the Affordable Care Act (ACA). The State Innovation Model – known as SIM – is a payment reform model designed to decrease cost and increase quality. The All Payers Claim Database (APCD) collects claims information and should eventually be a consumer tool to research cost and quality of providers. CBIA has been supportive of SIM and APCD and their ultimate goals. These initiatives may be important components of some of the proposals contained in the bills before you today.

As you are aware, these existing initiatives are taking place against the backdrop of a healthcare field seeing significant transformation. Not only because of these new programs but because of the ACA and the new rules that are still taking effect.

Specifically in regard to SB 812, while CBIA supports widespread adoption and utilization of electronic health records we have concerns with the fee charged to all third party payers (Section 3). Being able to use electronic health records across providers is an asset to our healthcare system. Nevertheless, as mentioned previously, Connecticut employers and their employees are already facing rising healthcare costs so any new tax or fee is concerning at this time.

Transparency and continued innovation are important to a healthcare system that values quality and affordability. The more healthcare consumers can understand the cost and quality of the care they receive - the better decisions can be made.

Thank you for the opportunity to offer CBIA's comments. CBIA looks forward to the continued discussion of these important policy items.