

Carol McCue, Retired Teacher

H.B. No. 6824 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH 2017, AND MAKING APPROPRIATIONS THEREFOR AND OTHER PROVISIONS RELATED TO REVENUE.

My name is Carol McCue, residing in Wethersfield, CT. I am a retired Hartford teacher having worked in the system for 35 years. I am among a small group of teachers who will never be eligible for Medicare, and I rely on the health insurance subsidy to help defray the cost of my monthly insurance premiums.

Since I've been retired my monthly health insurance costs have risen from \$406.33 (without the state subsidy) to \$846.86 an increase of \$440.49/month over ten years. (See attached document: **Anthem BC/BS Premium Increases 2004-2014.**) Along with premium increases, retirees have faced increases in medical and prescription co-pays subject to contractual changes. The total cost of health care can put a considerable dent into a retiree's pension, especially for those not eligible for Medicare.

In 2004, the health subsidy was 27% of a Hartford retiree's monthly premium; in 2014 it was only 13%. For teachers not eligible for Medicare, the health subsidy increased to \$220/month at age 65, keeping the subsidy at 26% of the monthly premium which helped to offset the rising health care costs.

Many states, including my home state of New Jersey, pay the full cost of retired teachers health insurance premiums without requiring a participatory contribution during their active years. As a young teacher, issues relating to retirement never entered into the decision of where I would teach. I chose to work in Connecticut, and although I have never regretted that decision, it is financially more difficult to live and retire here than it would have been if I stayed in New Jersey.

The state's contribution to our subsidy is small but not insignificant. The subsidy itself is a lifeline for those of us who will always face increased yearly premiums. Reducing the state's contribution to the Health Insurance Premium Account weakens its viability and could hasten its depletion. Retired teachers contributed to this fund during the active years and count on the subsidy to make a small dent in the ever-increasing health insurance premiums. It is also a benefit that was promised to us.

Without the state subsidy, health insurance would be more of a burden than it is today. I hope you will consider returning the State's contribution to the Teachers Retirement Fund from 25% to 33%.

Respectfully submitted,

Carol McCue

Attachment: Anthem BC/BS Premium Increases 2004-2014

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Anthem Blue Cross/Blue Shield Premium Increases 2004-2014

Date	Monthly Premium Without State Subsidy	Monthly increase from previous year	Percent of Monthly increase	
July-2014	846.86	(\$7.16)	None	***
July-2013	\$853.98	\$86.02		11.20%
July-2012	767.96	44.28		6.12%
July-2011	723.68	95.36		15.18%
July-2010	628.32	54.82		9.56%
July-2009	573.50	20.56		3.72%
Oct. 2008	552.94	62.14		12.66%
July-2007	490.80	16.08		3.40%
July-2006	474.72	4.99		1.06%
July-2005	469.73	63.40		15.60%
July-2004		406.33		

****Although the monthly premiums went down in 2014 (which was unprecedented) medical copays went up.