



Testimony before the Committee on Insurance and Real Estate

CT General Assembly

February 5, 2015

Senator Joseph Crisco, Representative Robert Megna, Members of the Committee on Insurance and Real Estate. My name is Matthew Brokman, I am a Legislative and Political Representative of Council 4 AFSCME, a union of 32,000 public service employees.

On behalf of our members I want to thank you for raising **SB 14** **An Act Concerning the Claims Data Provided to Certain Employers.**

When we go to the bargaining table, we do so to work cooperatively with management to settle on a contract agreement that maintains public services and provides for family supporting jobs. The biggest economic issue at the table is health insurance. As costs increase, too often the default solution is to shift these costs onto plan participants – driving patients away from care.

We believe that there are other solutions available that involve reducing costs by investing in quality care. However, lack of access to this claims data makes it difficult for us to figure out those options.

Recent negotiations with one of our locals in the Town of Bethel is a good example of how this imbalance of information impacts the process. We represent Public Works and Parks department employees. When negotiations commenced, our chief spokesperson suggested that the Town get a quote from the Comptroller on the state Partnership Plan as we have found that to be a lower cost option for many employers without having to sacrifice the quality of the insurance.

To get a quote, a Town must submit their claims data to the Comptroller for analysis. After several negotiation sessions, the Town finally agreed to do so.

When we asked management's representatives for what the quote was we were told that the Partnership Plan would a total annual premium of \$4,014,537. That would be a 40% increase over the current cost of the plan.

That number was incredibly surprising to us and we reached out to the Comptroller's staff to see if we can understand why that was the quote.

We were told that that wasn't the quote. The Comptroller's office had actually given the Town a quote of \$3,278,633.76 for joining the Partnership Plan – which was actually a 4% decrease from the current cost.

Thankfully in this case we were able to go to the Comptroller to verify the quote that we received. And in most negotiations we do not face this kind of misinformation. However, if we had access to the actual claims data I do not believe this would have occurred.

Fundamentally that's what this bill is about: making sure both sides of the bargaining table have fair access to information so we can make informed decisions that are in the best interests of the employer and employees. We hope with the passage of this bill, we will be able to empower employees to be an equal partner at the bargaining table in coming up with health insurance plans that keep costs low by investing in care.