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Quality is Our Bottom Line

Insurance Committee Public Hearing

Thursday, March 10, 2016

Connecticut Association of Health Plans

Testimony in Opposition to

SB 370 AN ACT CONCERNING HEALTH CARE PROVIDER LISTS AND AUTHORIZING PREGNANCY AS A QUALIFYING EVENT FOR SPECIAL ENROLLMENT PERIODS

The Connecticut Association of Health Plans respectfully urges the Committee's opposition to SB 370. Section 2 of the bill, which affords a special enrollment period to any individual upon commencement of a pregnancy, undermines the sustainability of the Health Care Exchange and the individual market. One of the fundamental principles of the Affordable Care Act is to pool medical risk across a broad base of population so as to minimize adverse selection whereby individuals only buy coverage when they need it. This is the primary reasoning behind the "individual mandate" requirement and the specified open-enrollment periods. At least one health carrier has indicated passage of this proposal would result in a 2% premium increase. Connecticut's Exchange is a major success when compared to other initiatives across the country. Now is not the time to compromise its structure.

With respect to Section 1 which seeks to establish network adequacy requirements, we would direct the Committee's attention instead to SB 433 which the Department of Insurance has put forth based on the model adopted by the National Association of Insurance Commissioners (NAIC). We welcome the opportunity to work with Commissioner Wade and her staff on that bill moving forward.

Like other proposals before the Committee this year, SB 370 will not only subjectively impact the Exchange, it will also critically impair its current operations as benefit designs are already underway and rates are ready to be filed. The timetable to get the program up and running every year for purposes of open enrollment is extremely tight and passage of this type of legislation is simply be detrimental to the process. We urge your rejection.

Thank you for the opportunity to comment.