



Community Health Center Association of Connecticut

Testimony of

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*Regarding the Human Services Provisions
of Governor Malloy's Budget Proposal*
Appropriations Committee

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Thank you for the opportunity to testify about two items in Governor Malloy's budget proposal, the reduction in HUSKY income limits and the cap on dental benefits for adult HUSKY enrollees.

On behalf of Connecticut's federally-qualified health centers (FQHCs), which serve over 350,000 patients each year – including about 30% of all people on HUSKY – I offer these comments for your consideration:

Reduction in Income Limits for HUSKY A Parents: The governor's budget proposes reducing HUSKY income limits for parents from 155% to 138% of federal poverty level. For a parent with two children, this lowers the income limit from \$31,139 to \$27,725.

As you know, HUSKY provides a robust health plan that includes dental, medical and behavioral health care, with no copayments. It is designed this way to remove as many barriers as possible to accessing health care, towards improved health outcomes for our state's residents.

The approximately 9,500 individuals who lose HUSKY eligibility under this proposal likely would be encouraged to purchase qualified health plans through Access Health CT – plans which have monthly premiums, deductibles before coverage kicks in (except for preventive care), copayments for services, and no dental coverage at all.

What would the costs be for a person on Access Health CT? I shopped for insurance coverage for a 35-year-old parent of two children in Hartford County, with an annual income of \$32,000 (this is just above the current income limit, but shopping for anything below the current income limit yields a recommendation for HUSKY). This mom or dad is eligible for significant federal assistance that reduces monthly premiums and establishes an annual cap on costs. Including this assistance, s/he still would have monthly premiums of at least \$121 and a \$700 deductible before coverage kicks in (not including free preventive visits). His or her costs would be capped at \$1,800 annually.

It is very likely that most of these individuals would never purchase a plan through Access Health; would purchase a plan, but not keep up with the monthly premiums; or would keep up with the premiums but reduce their usage of needed health care services. But, we don't need to guess about what will happen with these individuals; we have information about what happened the last time the state lowered income eligibility, just two years ago.

In 2015, 18,903 HUSKY enrollees were scheduled to lose coverage, in two phases, due to the eligibility limits being lowered from 201% to 155% of federal poverty level. As of November, 2016 (according to the State Department of Social Services):

- 39% of those individuals remained on HUSKY;
- 16% were enrolled in a plan through Access Health CT; and,
- 45% were not enrolled in either Access Health CT or HUSKY. These individuals may or may not have gained employer-sponsored or other coverage.

Federally-qualified health centers serve everyone – regardless of ability to pay. However, note that people with high deductible insurance plans are essentially uninsured until they reach their deductibles; at FQHCs, they will pay for services on a sliding fee scale, which will cover only a fraction of the cost of a visit. The elimination of HUSKY payments for services to these patients will present a challenge to the already-fragile bottom line of FQHCs.

Finally, as policymakers in Washington debate the future direction of health care – including proposals to upend Medicaid entirely through the use of block grants and proposals to repeal the Affordable Care Act, likely eliminating Access Health CT as an option – Connecticut should not be jumping in early to force people off of insurance coverage.

I ask you to reject this proposal and redouble Connecticut's commitment to the health care of our residents.

Cap on Dental Services: CHCACT offers comments on the proposal to cap dental services at \$1,000, subject to medical necessity. Additional clarity is needed to determine who will determine whether services are medically necessary (e.g., A physician? A dentist?) and what criteria will be utilized. For example, the loss of teeth impacts individuals' ability to eat; what may appear to be a cosmetic issue on the surface can lead to serious nutritional deficiencies and subsequent medical issues (along with other social and employment issues). CHCACT also recommends streamlining approval processes and clarifying the appeals procedure that would be utilized.

Thank you for your consideration.