

SENATOR TED KENNEDY, JR.

Twelfth District

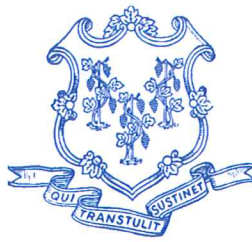
Legislative Office Building

Room 3200

Hartford, CT 06106-1591

Tel. 860-240-0455

www.SenatorKennedy.cga.ct.gov



State of Connecticut

SENATE

DEPUTY MAJORITY LEADER

Chair

Environment Committee

Internship Committee

Vice Chair

Public Health Committee

Member

Finance, Revenue & Bonding Committee

Transportation Committee

TESTIMONY BEFORE INSURANCE AND REAL ESTATE COMMITTEE

Thursday, March 8, 2018

In Support Of:

S.B. 376, AN ACT CONCERNING HEALTH INSURANCE FOR PROSTHETIC DEVICES

Dear Chairman Timothy D. Larson, Chairman Kevin C. Kelly, Chairman Sean Scanlon, Ranking Member Robert C. Sampson and Members of the Insurance and Real Estate Committee:

I am testifying **IN SUPPORT** of **S.B. 376, AN ACT CONCERNING HEALTH INSURANCE FOR PROSTHETIC DEVICES**, an important bill that will ensure that amputees in Connecticut have adequate coverage and reimbursement for their needed artificial limbs.

According to the Amputee Coalition of America, there are approximately 20,000 amputees in Connecticut, with the number expected to double by the year 2050 as a result of age demographics and disease trends.

Connecticut residents who have had an arm or leg amputated, or were born without a limb, should not be denied prosthetic coverage by private insurance companies. Connecticut remains the only state in New England that has not passed fair prosthetic insurance coverage legislation.

At issue is a growing trend by private health plans to reduce or eliminate prosthetic coverage. While many insurance companies do pay for artificial limbs without extensive requirements, others have imposed restrictions on the number of devices that a health plan will cover or offer unreasonably low limits to how much they will pay for a device, making the new limb prohibitively expensive for ordinary policyholders. Some health plans will approve an amputation, but not a prosthetic limb. Others reject medical claims for prosthetic devices because they figure that Medicaid or another state program will pick up the tab.

Over 20 state legislatures across the nation have passed laws just like **S.B. 376**, which simply requires that fully-insured plans in Connecticut adopt prosthetic coverage and reimbursement policies at least equal to the coverage that Medicare currently provides for such devices. Medicare's coverage and payment policy is reasonable, affordable, fraud-sensitive, and periodically peer-reviewed. This policy is easy for health plans to understand and implement because they already have networks of providers and already process these claims for their Medicare plan participants.

To its credit, the Insurance and Real Estate Committee of the Connecticut General Assembly raised bills concerning this issue in 2009 and 2011 that were voted favorably out of the Committee with broad, bipartisan support, only to fail to be passed by both chambers. There were no subsequent legislative attempts to pass the measure largely because of the hope and expectation that the federal Affordable Care Act would address the issue. Now that times have changed and the Affordable Care Act faces uncertainty, prosthetic parity advocates are reigniting their state legislative approach.

A strong economic case can be made in favor of this legislation. A recent RAND analysis verified that the incremental coverage costs of similar legislation (estimated by the Connecticut Insurance Commissioner to be \$0.35 per member per month in 2009) was far outweighed by factors such as economic productivity of those returning to work, enhancing quality of life, living independently, preventing falls, and avoiding dependence on government assistance. As an amputee, I view this proposal not in financial terms, but as an issue of fairness and justice.

I appreciate the Committee's consideration of this testimony. Please do not hesitate to contact me at 860-240-0455 if I can answer any questions that you may have on this most important topic.

Respectfully,

A handwritten signature in cursive script that reads "Ted Kennedy Jr.".

Senator Ted Kennedy, Jr.
12th Senate District