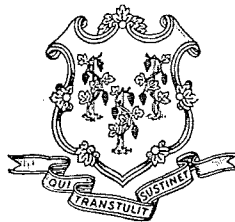


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Eleventh District
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Good morning Senator Larson, Senator Kelly, Representative Scanlon and members of the Insurance and Real Estate Committee. I would like to express my support for HB 5379 AN ACT ESTABLISHING A STATE INDIVIDUAL HEALTH CARE RESPONSIBILITY FEE AND THE CONNECTICUT HEALTH CARE SAVINGS PROGRAM and SB 376 AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR PROSTHETIC DEVICES as well as my concerns about HB 5039 AN ACT PROTECTING HEALTH CARE FAIRNESS AND AFFORDABILITY, SB 372 AN ACT REQUIRING PRIOR LEGISLATIVE APPROVAL OF INCREASES IN ASSESSMENTS AND USER FEES CHARGED BY THE CONNECTICUT HEALTH INSURANCE EXCHANGE and SB 373 AN ACT CONCERNING THE CONNECTICUT HEALTH INSURANCE EXCHANGE, LOW OPTION BENEFIT DESIGN AND SHORT-TERM CARE POLICIES.

SB 5379 would create a state health insurance mandate to replace the recently repealed federal mandate that had been part of the Affordable Care Act. In the past, health care mandated coverage had had bipartisan support. Not only was such a mandate included in "Romneycare" in Massachusetts, it was part of the Republican response to the Clinton healthcare plan in the 1990s. Medicare part D (drug coverage) which was designed by Republicans during the George W. Bush administration, has severe penalties for those who don't enroll when it is first available. For some reason, however, many republicans at the national level have come to oppose these mandates. I am hopeful that in our state we can work together to ensure quality healthcare

coverage for all of our residents. I realize that this bill is still a bit of a work in progress, but it is definitely moving in the right direction for our state. The bill creates an individual healthcare responsibility fee and creates the Connecticut Health Care Savings Program (CHCSP). I believe the ultimate goal is to deposit the revenue raised by the fees into an account with CHCSP.

Others would also be able to create CHCSP accounts for medical expenses that are not covered by their health plans. The Health Insurance Exchange would be able to design these accounts and if the accounts contain sufficient funds, the Exchange could offer the account holder a qualified exchange plan. I believe that creating a state mandate is good policy and I applaud the sponsors of this bill who are working with professors Gluck and Cooper at Yale to design the best plan for our state. I look forward to working with you on this issue.

SB 376 would require insurance coverage for prosthetic devices and repair of these devices on at least the level that Medicare covers them. This would improve the quality of life for residents of our state who require these devices.

I have numerous concerns regarding 5039. First, while claiming to provide new patient protections on surprise billing, it does no such thing. PA 15-146, among other things, created a framework of patient protections from surprise billing that has been hailed as a national model. There are small improvements that could be made to this statute, but what is offered in 5039 does not represent an improvement. The bill would delete the sections that set the rates at which insurers must reimburse out of network emergency department providers. The current statute holds the patient harmless. Patients can only be charged in-network cost sharing for emergency department bills and they cannot be balance billed; a violation constitutes an unfair trade

practice. This bill would eliminate the reimbursement framework by reverting to the federal statute which, like the CT law, requires reimbursement at the greatest of: the in-network rate, the Medicare rate, or the usual customary and reasonable (UCR) rate (UCR is the out of network rate). The federal law does not define UCR. In our current statute UCR is defined at the 80th percentile of UCR according to Fair Health (an independent entity) data. By taking the current Connecticut framework out and leaving the term undefined, the bill would allow insurers to determine the reimbursement rate. That change would destroy the clarity and transparency of the current law.

I realize that some entities are not satisfied with the current reimbursement rates. However, my office invited both the insurers and the providers to meet and discuss how we might improve the current framework and the insurers did not wish to attend a meeting that included the providers. The insurers were clear about what they wanted however: to leave UCR undefined. I do not believe that good policy is created when only one side in a debate is heard. I would urge you not to change our emergency room out of network or surprise billing statutes in this manner.

While I appreciate the attempt to create a mandate in 5039, I believe that 5379 takes a better path on this issue. Similarly, the first two sections of 5039 attempt to preserve certain ACA protections, I believe that HB 5210 AN ACT MANDATING INSURANCE COVERAGE OF ESSENTIAL HEALTH BENEFITS AND EXPANDING MANDATED HEALTH BENEFITS FOR WOMEN, CHILDREN AND ADOLESCENTS offers better and more comprehensive protections.

In addition, I do not support the low benefit plan design option in the 5039 and I believe that if the state were to allow such plans that they should be designed by the Health Insurance Exchange.

I have numerous concerns with SB 373 including that I do not support the low benefit design plans. If these plans were to be permitted in our state they should be designed by the Health Insurance Exchange.

Perhaps my biggest objection to this legislation is that it would allow any short term insurance plan that was permitted by the federal government. This has the potential to destroy the ACA. Apparently, the current federal administration plans to allow short term policies (which offer none of the ACA protections) to have a term of 364 days. This change would be, among other things, a return to the days when patients with pre-existing conditions could not purchase health insurance. We have come too far to go back.

I also have some concern that SB 372 would interfere with the ability of the Health Insurance Exchange to function efficiently.

Thank you for the opportunity to testify on these important bills.