



Quality is Our Bottom Line

Insurance Committee Public Hearing

Thursday, March 8, 2018

Connecticut Association of Health Plans

Testimony regarding

HB 5039 AN ACT PROTECTING HEALTH CARE FAIRNESS AND AFFORDABILITY

HB 5379 AN ACT ESTABLISHING A STATE INDIVIDUAL HEALTH CARE RESPONSIBILITY FEE AND THE CONNECTICUT HEALTH CARE SAVINGS PROGRAM

The Connecticut Association of Health Plans appreciates both H.B. 5039 and H.B. 5739 in their attempt to shore up the stability of the Connecticut insurance market by adopting an individual mandate. *We have serious reservations, however, regarding passage of a mandate at this time.* The individual mandate is just one cornerstone of the Affordable Care Act (ACA) and it can't be viewed in isolation as it depends upon other provisions of the ACA, such as premium assistance, in order to function as intended. Given the unpredictability of federal policy at the moment, now is not the time to adopt this requirement. Should Connecticut venture down this path in the future, we would respectfully suggest that the necessary time be taken to assure that the proposal is fully vetted first lest we adopt something that does more harm than good.

CTAHP supports Section 9 of H.B. 5039 revising the Mandated Health Benefit Review process currently established in statute. To the extent that H.B. 5039, and similar sections of S.B. 201, make the process even more efficient we encourage their passage. In an effort to increase access, mandates often have the unintended consequence of increasing health insurance premiums and thereby decreasing access instead. A comprehensive review that allows for an independent cost-benefit analysis *prior* to passage of such legislation is prudent public policy.

We further lend our strong support to Section 10 of H.B. 5039 as it addresses an unintended consequence related to passage of S.B. 811 in 2015. In seeking to protect consumers from the impact of surprise bills, the legislation inadvertently created a situation whereby emergency room departments can maximize third-party payments by remaining out-of-network. 38a-477aa(b)(3) ties ED reimbursement to the FAIR Health Database (referred to in the law as the "clearinghouse") based on hospital "charges" which are well known to be excessive and inflationary and well beyond what's considered reasonable. Similar legislation in other states has caused significant disruption in the delivery system and we urge you to correct the state statute here before the same thing happens in Connecticut. The landscape is changing quickly and consumers need to know that state law helps assure that when they utilize an in-network hospital that they are utilizing an in-network emergency room department as well. We urge your favorable consideration of this section.