

Testimony by Tom Swan

Before the Insurance and Real Estate Committee

March 8, 2018

In Opposition to HB 5309 AN ACT PROTECTING HEALTH CARE FAIRNESS AND AFFORDABILITY, S.B. No. 373 AN ACT CONCERNING THE CONNECTICUT HEALTH INSURANCE EXCHANGE, LOW OPTION BENEFIT DESIGN AND SHORT-TERM CARE POLICIES and HB 5379 AN ACT ESTABLISHING A STATE INDIVIDUAL HEALTH CARE RESPONSIBILITY FEE AND THE CONNECTICUT HEALTH CARE SAVINGS PROGRAM.

Senator Larson, Senator Kelly, Representative Scanlon and other members of the Insurance and Real Estate Committee my name is Tom Swan and I am the Executive Director of the Connecticut Citizen Action Group (CCAG). On behalf of our thousands of member families I want to voice our opposition to HB 5309 AN ACT PROTECTING HEALTH CARE FAIRNESS AND AFFORDABILITY, S.B. No. 373 AN ACT CONCERNING THE CONNECTICUT HEALTH INSURANCE EXCHANGE, LOW OPTION BENEFIT DESIGN AND SHORT-TERM CARE POLICIES, and HB 5379 AN ACT ESTABLISHING A STATE INDIVIDUAL HEALTH CARE RESPONSIBILITY FEE AND THE CONNECTICUT HEALTH CARE SAVINGS PROGRAM.

CCAG and many of our sister organizations throughout the country supported the Affordable Care Act and the inclusion of an individual mandate as part of a grand compromise because it offered a significant expansion in coverage and what were considered landmark improvements in consumer protections. Since then we have seen:

- Attacks by President Trump and republicans in congress on the basic protections included in the ACA, including the Trump administration now proposing to allow lousy insurance to be sold across state lines. A similar proposal is included in SB 373 should be rejected. Garbage insurance helps no one and is not a real way to save money.
- The financialization of health care industry is out of control. The billions on consolidations, including over \$ 5 billion on the failed Aetna/Humana and Cigna/Anthem failed deals. Five Billion dollars. Now CVS has proposed to purchase Aetna and Cigna trying to buy Express Scripts for \$67 billion. No one can tell me we have an adequate regulatory framework to protect consumers in these new vertically integrated companies. These deals are often financed with large amount of debt and the debt burdens only incentivize continued deals like this.
- While consumers have seen out of pocket expenses skyrocket, executive compensation continues to be out of control and the escalation in stock buy backs is often overlooked. proposed vertical integration

We will only support an individual mandate if the legislature also offers a real public option where the power of the state, the largest procurer of health care, can be used to protect consumers in a similar manner to what is being considered in the Human Services Committee with a buy in for Medicaid.

I want to close with some thoughts on HB 5379, We reject the premise that the problem with people not enrolling in the exchanges being the fees is too low. The problem is the costs are too high due to the corporatization of health care. We also reject the idea that Health Savings Accounts are a solution to anything.

Thanks you.