



Quality is Our Bottom Line

**Veterans' Affairs Committee Public Hearing**

**Thursday, February 14, 2019**

**Connecticut Association of Health Plans**

**Testimony in Opposition to**

**Proposed SB 543 AN ACT REQUIRING HEALTH INSURANCE COVERAGE FOR EQUINE THERAPY FOR VETERANS.**

The Connecticut Association of Health Plans respectfully urges your opposition to Proposed SB 543 Act Requiring Health Insurance Coverage for Equine Therapy for Veterans. While well intended, the proposals go above and beyond what is currently provided for under the Affordable Care Act and current state statute and would therefore have a negative fiscal impact for both current insureds and the state at-large. Please note testimony provided by the Insurance Department last year on a similarly proposed mandate:

*While well-intended, [this bill] if enacted, would create a new mandate and subsequently new costs for state of Connecticut under the federal Affordable Care Act (ACA) for health plans sold on the Exchange (Access Health CT). Under the ACA, Essential Health Benefits are those mandated benefits that states enacted on or before December 31, 2011. The state is required to defray the cost of any new mandated benefit or expanded benefit added after this date. Section 1311(d)(3)(B) of the ACA permits a state to require Qualified Health Plans, which are sold through the Exchange, to offer benefits in addition to the Essential Health Benefits already selected by Connecticut, but it requires the state to defray the cost of these additional benefits for Exchange plans and the State Employee Health Plan. The Department of Health and Human Services (HHS) issued a final rule on February 25, 2013 that recognizes only those mandated benefits that were enacted on or before December 31, 2011 to be considered part of the Essential Health Benefits. The state would be required to make payment to the enrollee or insurance carrier to defray the cost of any new benefits specific to care, treatment and services which are enacted this session. While the Connecticut Insurance Department appreciates the intent of this bill, it cautions the Insurance and Real Estate Committee that any new state mandated benefits enacted in 2018 can have a fiscal impact to the State of Connecticut.*

It's also important to note that Connecticut only has authority to regulate the fully insured market which represents roughly 35% of the state's population. The fully insured market is made up predominantly of individual and small group policy holders who are the most price sensitive to premium increases. As such, they can ill afford the costs associated with any new mandates and while we understand that the intentions are laudable, we would urge your rejection of SB 543.