Insurance and Real Estate Committee

JOINT FAVORABLE REPORT

Bill No.: SB-984
AN ACT CONCERNING MINIMUM ESSENTIAL HEALTH COVERAGE, TAXATION OF HEALTH CARRIERS AND RESIDENTS OF THIS STATE AND THE CONNECTICUT HEALTH INSURANCE EXCHANGE.

Title: AN ACT CONCERNING MINIMUM ESSENTIAL HEALTH COVERAGE, TAXATION OF HEALTH CARRIERS AND RESIDENTS OF THIS STATE AND THE CONNECTICUT HEALTH INSURANCE EXCHANGE.

Vote Date: 3/19/2019
Vote Action: Joint Favorable Substitute
PH Date: 3/7/2019
File No.: 

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SPONSORS OF BILL:

Insurance and Real Estate Committee

REASONS FOR BILL:

In effect the bill aims to ensure that more people are covered by the best coverage they can get. Also, its intentions are to establish a mark of strong competition in the industry within this state through the use of the Access Health Exchange, where any insurers covering 5,000+ insurees in the state must offer a plan qualified for the Exchange—if not they must deposit into the Connecticut Health Insurance Exchange Fund (The Fund) as an alternative.

SUBSTITUTE LANGUAGE:

LCO #6026
The substitute language revised the definition of “applicable individual” in Section 1. It also removed Section 3 and 4, replacing them with a new Section 3 regarding a surcharge.

RESPONSE FROM ADMINISTRATION/AGENCY:

Ted Doolittle, Health Care Advocate, Office of the Health Care Advocate wrote in testimony that the bill contains a mandate that everyone who lives in this state will be required to purchase a health insurance plan. He claims that the greater amount of healthier people who join the market’s risk pools, the more sporadic the costs become allowing for lower costs among more people with generally lower risk involved. He also states this can provide a “net social gain” if utilized correctly. He recognizes the Exchange in his testimony, comparing the requirement for insurers to commit one plan to the Exchange to what Massachusetts has done in similar fashion, stating their state has among the nation’s lowest premium rates.
NATURE AND SOURCES OF SUPPORT:

Victoria Veltri, Executive Director, Office of Health Strategy testified that this bill helps not only supply health insurance to more individuals but also to small businesses. “It would require the Commissioner of Revenue Services, in consultation with the Executive Director of OHS, the Insurance Commissioner and Access Health CT, to evaluate the possibility of an individual responsibility fee and a refundable tax credit to ensure residents maintain existing minimum essential coverage.” Furthermore the testimony proposes a potential partnership between OHS and the Legislature to assure that reforms do not have unintended consequences on insurers operating in Connecticut. This bill also requires OHS to work with the Insurance Commissioner, Health Care Advocate, and Access Health CT to produce a report outlining suggestions/concerns for state-financed health insurance subsidies, and also a reinsurance program to lower costs of health care.

Craig Mullett stated in written testimony support for the bill. He cited that Connecticut has 43% higher premium costs than neighboring Massachusetts which can be attributed to the individual mandate which is present in the bill.

Connecticut Association of Health Plans wrote in testimony that the most crucial aspect of health insurance is that everyone must have access to it. They stated more people are insured through individual coverage now than in 2014 because of the ACA’s individual mandate. They also wrote it is essential that not only those who utilize their coverage for relentless illnesses be covered but also for healthy people, as it lowers the overall risk and costs for everyone. According to their testimony, to get everyone in the state coverage, the mandate is simply part of the solution while incentives must make up a significant portion in order to attract customers.

NATURE AND SOURCES OF OPPOSITION:

Linda Ross, Christian Science Committee on Publication for Connecticut offered written testimony which contained exhibits for a language change modeled on the ACA which are regarding “religious conscience exemption to include individuals who rely solely on a religious method of healing and attest that they have not received medical health services during the taxable year for which they are claiming [the exemption]”, as shown in Exhibits A and B of her testimony. She explains that the language in the bill applies to religions with beliefs opposing insurance benefits, which is not the view of Christian Scientists, but rather that followers have the choice to pursue benefits of insurance or not to.

Leslie Connery, Government Relations Counsel, The First Church of Christ, Scientist testified in a similar text to Linda Ross (above), offering an Exhibit C as well.

Reported by: Logan Cotter Date: 03/26/19