



127 Washington Avenue, Lower Level, North Haven, CT 06473
Phone (203) 865-0587 Fax (203) 865-4997 www.csms.org

**Testimony of the Connecticut State Medical Society
Raised Bill 842, An Act Concerning Health Insurance and Health Care in Connecticut
Insurance Committee
February 9, 2021**

Senator Lesser, Representative Wood and members of the Insurance and Real Estate Committee, on behalf of the physicians and physicians in training of the Connecticut State Medical Society (CSMS), thank you for the opportunity to provide testimony on Raised Bill 842, An Act Concerning Health Insurance and Health Care in Connecticut.

We commend the Committee for introducing this legislation. As physicians, we support access to health care by creating affordable insurance options that work for patients and providers.

It is no secret that small businesses in this State are suffering catastrophic losses due to the covid-19 pandemic. The concepts in Raised Bill 842 have the potential to reduce health care costs of these non-profit and small employers by allowing them to purchase insurance through the state employees insurance plan. The introduction of a new insurance option will foster competition among existing insurers. At the same time, this Bill creates opportunities to expand insurance options on the Exchange to allow more of Connecticut's patients access to affordable healthcare.

Connecticut has the opportunity to be a pioneering state in health insurance reform, **but we must get this right**. CSMS has several questions and concerns about Raised Bill 842 and it is our hope that we can collaboratively work through these questions and concerns to develop legislation that brings meaningful and impactful insurance reform to the patients of Connecticut.

At the outset we must remember that access to insurance coverage does not necessarily lead to access to care. Both prongs of Raised Bill 842, expansion of the state employees plan and expansion of the health insurance exchange, appear devoid of network adequacy standards. CSMS has significant concern that an influx of patients into the both the state employees' network and the Exchange will overwhelm the current physician networks. In order to provide meaningful access to care, network adequacy standards must be promulgated that ensure a robust physician care network. Such standards must include elimination of "narrow" networks and include fair payment rates for physicians, established through meaningful negotiations and contracts.

CSMS believes that any public option plan must also include the following requirements: prompt payment for network physicians, peer-to-peer medical necessity determination reviews and limitations on retrospective audits and reviews. Requirements such as these are critical to creating an adequate and robust network of physicians.

Specifically, we have concerns and questions about lines 186 through 188 of the proposed Bill, which would allow the Comptroller to develop “plan designs and benefit coverage levels” different from those offered to state employees. Would this allow for the creation of additional physician networks with different contractual terms outside of those already negotiated under the state employees plan? Would this language permit the creation of such narrow networks so that access to care becomes illusory?

We commend this Committee for limiting the deductibles to the IRS minimum deductibles for plans offered under the state employee program. It is no secret that the impact of high-deductible plans (HDHPs) has negative consequence on both patient health and on the quality of the physician-patient relationship. Numerous studies have shown that HDHPs cause patients to forego needed medical care because of the high out-of-pocket expenses. As patients are responsible for more of the health care dollar, we see significant delays in accessing care that in the long run result in more expensive care and hospitalization.

HDHPs were designed by the insurance companies yet physicians are the ones responsible for collecting significant out of pocket costs from patients. Unpaid costs leave patients hesitant to return for needed medical care and threaten the fragile viability of independent medical practices in Connecticut, many of which are already teetering on the edge of collapse due to the COVID-19 pandemic. Raised Bill 842 contemplates driving more patients to HDHPs in the bronze and silver tiers on the Exchange, ultimately exacerbating the already dire issues we are seeing with HDHPs. New studies are emerging that show HDHPs may compound structural inequities in health care. A 2020 study showed that black cancer survivors with HDHPs are more likely to struggle financial than their white counterparts. HDHPs may be driving further disparities in health outcomes.

As such, CSMS strongly encourages that the recommendations of the HDHP Workgroup convened by this legislature last year, that included, among other recommendations, a recommendation to shift the HDHP collection obligation to the insurer, be incorporated into Raised Bill 842. The sanctity of the physician-patient relationship is forever damaged by physicians serving as collection agencies. Shifting this collection obligation to the insurer, who controls the process, will preserve the physician-patient relationship thereby helping to ensure that patients seek medically necessary care.

Lastly, CSMS has concerns about details that are left to the regulatory process. While we appreciate that not every detail or requirement can and should be included in statute, Raised Bill 842 leaves a lot of the gaps to be filled in through the regulatory process. We would recommend that an Advisory Committee be created to work through the number of regulations that will need to be promulgated and we would ask that CSMS has a seat at the table during this process.

Access to affordable health care is critical for all patients in Connecticut. CSMS believes that Raised Bill 842 is a significant step forward in making this a reality. We would welcome being part of further discussions about the concerns we have set forth in hopes that we can create robust legislation that will benefit all of the patients and physicians in Connecticut.