



## Every Family and Every Child in Connecticut Will Thrive and Share in Prosperity.

**Testimony from the Connecticut Association for Human Services in Support of:**

**SB 842 An Act Concerning Health Insurance and Health Care in Connecticut**

**February 9, 2021**

Good Afternoon Senator Lesser and Representative Woods, and members of the Committee,

My name is Elizabeth Fraser and I am here today representing The Connecticut Association for Human Services. CAHS advances multi-generational policy and program solutions, which promote family economic well-being, and foster equitably resourced communities.

Each of the components in this SB 842 offers a thoughtful, multilayered solution to provide greater health equity, advance equitable family economic stability, and will impact the future of many marginalized children in our state. CAHS stands in support of SB 842 which includes:

- Restoring HUSKY A eligibility for parents to the 2015 level;
- Creating a public option for small businesses and nonprofits;
- Increases financial assistance to make insurance more affordable
- Providing state insurance subsidies, and an option for immigrants without documents to purchase insurance

### **Pre-Pandemic: Who was not insured in Connecticut**

46,000 parents (living with at least one child under 18 ) did not have health insurance. 7% of children are living in these families [Parents Without Health Insurance in Connecticut](#)

Children of color lack health insurance in greater numbers than their white peers, (despite a larger Non-Hispanic White population), [Children Without Health Insurance Coverage by Race and Ethnicity](#) , indicating that their parents also are uninsured.

Ensuring that parents have adequate and affordable health insurance stabilizes family economic security, supports child well-being, and helps to build an equitable society. While it is true that Connecticut has made progress getting people insured, we know that many families in Connecticut still do not have access to *affordable* insurance options, and remain uninsured. We know that there are structural inequities that exist throughout the country, and within our state. Access to

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affordable health care is no exception. Connecticut's Black and brown families disproportionately reflecting the uninsured population.

Our Connecticut workforce has changed. Many jobs are now part time, with unpredictable scheduling and hours that can vary from week to week. Often these jobs do not include insurance options. 25% of all Connecticut's children live in this type of household; however, disaggregated, this represents 38% of Black and brown children. Part-time employees don't always know what their weekly or monthly hours will be, so, for those with Medicaid, it is difficult to calculate when, and if they will lose coverage. For those buying through the public option, they don't know from month to month if they can afford their insurance.

Job insecurity disproportionately affects Black and Latino families. [Children Whose Parents Lack Secure Employment by Race And- Ethnicity](#)

For families without access to affordable insurance options, choices need to be made. Do I put food on the table, or do I pay for health insurance? Can I finally afford insurance, or should I put safe tires on my car? These are decisions that parents are making every month, impacting their personal health, and subsequently impacting the well-being of their children. In addition to the financial impact, we know that:

- Children's well-being is closely tied to the well-being of their parents.
- When parents are not healthy, they have a harder time taking care of their children.
- Ill health can run up debt from both medical costs and lost wages from being ill.
- Uninsured parents are less likely to bring their children to the doctor, even when the child is insured
- Family stresses all contribute to the environment children are living in. When parents are physically or mentally ill, or suffer from substance abuse, or when they experience severe financial strain, children are affected—sometimes to the point of developing chronic symptoms associated with toxic stress.

The pandemic has exacerbated the dire need for additional affordable insurance options, it has also lifted the band aid off of the systemic inequities in our health care system, exposing the chronic injustice that has disproportionately impacted families of color. SB 842 will provide some relief to many hard-working Connecticut families who have been unable to access affordable insurance, and is a step towards rectifying some of the health inequities that have contributed to historically lower health care outcomes in black and brown populations. Impacted families cannot wait any longer to access quality affordable care. We are in the middle of a pandemic, the health inequities are clear, now is the time to address this issue.

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**Highlights of SB 842 include:**

**Increasing Husky A Eligibility:** CAHS supports restoring parent eligibility for Medicaid /Husky A insurance, from 155% or the Federal Poverty Level, (FPL) back up to 2015 eligibility or 201% of the FPL. Restoring eligibility will ensure that access to affordable insurance is significantly increased, impacting the well-being of both parents and children.

Husky A Facts

- There are no affordable health insurance options for adults in this income range. The total out-of-pocket costs for purchasing coverage on Access Health with cost-sharing subsidies can be over 15% of a family's annual income.
- Restoring eligibility rates align parent and child eligibility, eliminating confusion about which members of a family can have HUSKY coverage;
- Children are more likely to have insurance and to see a doctor if their parents are insured
- More insured residents lead to less uncompensated care;
- Insured families will have less debt burden from medical bills.
- [expanding-medicaid-for-parents-improves-coverage-and-health-for-both-parents-and-children](#)

Additionally, while the much-needed increase in Connecticut's minimum wage is welcomed, it comes new challenges. Many low in-come working parents will benefit from a small increase in wages, only to exceed the Medicaid A eligibility limit and lose health insurance. It is often hard to plan for this. Many parents, (single or a couple), are cobbling together hours, sometimes with several jobs, to make ends meet. A few extra hours that are not expected during a month, or extra income from seasonal employment, can put a family over the eligibility limit for benefits. The Exchange is a valuable option, however, for those earning so little, it can be up to 15% of earnings and is not affordable to purchase.

**Creates Public Options for Small Businesses, Nonprofits, And Unions:** A public option for small businesses will bring affordable health insurance options to many more people and potentially reduce the number of individuals receiving Medicaid.

With the rising costs of wages, and the costs of doing business, it is often prohibitive for small businesses to provide health insurance options for employees. When insurance is provided, affordable options have very high deductibles, and many out of pocket costs. Additionally, prescription costs can vary greatly between plans. Additionally, the second-year costs of policies often include substantial increases, while also limiting the services offered.

In considering the impact on small businesses, The child care business industry provides a good example. Child care businesses operate on very thin margins, often are not able to pay employees adequate wages and can't afford the added cost of benefits, including health insurance. The

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pooling of small businesses could increase the number of providers insured through work, and potentially at a much lower cost than for an individual on the exchange.

Creating a public option for small businesses provides a means to offer an affordable insurance option for employees. For those that do not qualify for Medicaid, or the Exchange is too costly, it will provide another more affordable insurance option.

**Increases Financial Assistance to Make Insurance More Affordable** Providing additional financial assistance to make insurance more affordable will help more families become insured without choosing between other household expenses.

The most recent United Way ALICE Report indicates that a CT family of 4 needs to earn a little over \$90,000. a year to support a barebones, "survival" budget. Families earning less than a survival budget fall into ALICE guidelines. (Asset Limited, Income Constrained, and Employed) ALICE families are especially vulnerable to the high costs associated with living in Connecticut.

The

pandemic has caused incredible financial insecurity for many Connecticut families. It has led to reductions in income, job loss, food insecurity, housing insecurity and financial instability. Women have left the workforce in record numbers, needing to be home to take care of their children or monitor their virtual learning. The loss of employment, and decreased wages, has direct impact on the ability to afford health insurance. For many families the ACA Exchange is still unaffordable, forcing families, during a pandemic, to choose between insurance and their basic living expenses. Additional financial support to ensure families have health insurance would provide a modicum of security to many impacted families and individuals. The added capacity to pay for household expenses, and keep medical debt at bay, will help to keep the Connecticut Economy stable we work through the effects of the pandemic.

**Expands Health Insurance Options For Undocumented Individuals And Families Who Are Currently Shut Out Of The Health Care Market.** Many undocumented, working individuals, *who pay taxes every year*, do not qualify for affordable insurance options because of immigration status. Children who arrived with their families from their native country also do not qualify, leaving many children uninsured. In Connecticut one- third of residents who are uninsured, are undocumented individuals.

Not providing basic human services to working individuals and their families is difficult to comprehend. The fact that we are in the middle of a pandemic, with all of its implications, makes this even more problematic. Undocumented residents are doing their best to support their

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families, are paying taxes, and contributing to the economy. Health care should be made available.

Thank you for your time, I am happy to provide any additional information that you need.

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