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Written Testimony
Comptroller Kevin Lembo, February 9, 2021

**Senate Bill 842: AN ACT CONCERNING HEALTH INSURANCE
AND HEALTH CARE IN CONNECTICUT**

Senator Lesser, Representative Wood, Senator Hwang, Representative Pavalock-D'Amato and members of the Insurance and Real Estate Committee. Thank you for the opportunity to testify in favor of Senate Bill 842: AAC Health Insurance and Health Care in Connecticut.

We are in the midst of a health care crisis in Connecticut. The COVID-19 pandemic is currently at the center of that crisis, though it is not its sole cause. Lack of access to affordable and quality health care has plagued our state for decades now and despite our attempts, we have yet to implement a cure.

I am here today to support this bill. I urge the committee to meet this moment of crisis and make high-quality health care in our state more affordable and equitable.

In my time as state comptroller, I have made every effort to run the state health plan efficiently, meeting the shared goals of driving down costs while ensuring plan members have access to the quality care they need. You, I and every other state elected official in Connecticut enjoy the results of that work. With few exceptions, we don't fear financial ruin from an unforeseen illness or injury. We don't have to make the gut-wrenching decision of paying for an expensive life-saving prescription or paying to put food in the refrigerator.

As our constituents — our friends, family and neighbors — continue to struggle, we have an opportunity to share the benefits of that work, and the peace of mind that accompanies it. This is our chance to improve the lives of so many in our state.

Offering new health insurance options to our nonprofits, small businesses and Taft-Hartley plans, and increasing subsidies for individuals, are moral imperatives and smart economic policy.

I've sat in front of this committee (in partnership with some of you) many, many times before. It's now been years of hearing from opponents that the status quo is acceptable; it's not. For years, we've been told that some other way of solving these problems will materialize; it hasn't.

How much longer can we ignore the voices of those asking for help? At what point will we decide that taking action is better than doing nothing? For how much longer can we say to the small business owners that we're depending on to power our post-pandemic economy that we are

happy to enjoy our world-class health care, but unwilling to offer them a *choice* to purchase high-quality coverage for their workers? For how long can we ask the nonprofits who have risen to the occasion to feed, shelter and care for our residents during a pandemic — often as a substitute for the services this government should be providing — to figure it out on their own?

We are not talking about free health care, or a government takeover of an industry, even if that's what the high-dollar advertising campaigns allege. We are simply talking about allowing others to *buy, purchase, pay for* access to high-quality health care.

For Workers, Small Businesses and Nonprofits

Senate Bill 842 would allow small businesses, nonprofits and union Taft-Hartley Plans to buy into a variety of plan choices offered by the state.

These plans would range from the most affordable quality-focused plans to the full benefits of the state employee plan. It would be up to the employer or individual to determine what plan choice meets their budgetary and benefits needs. No matter which they choose, plans will be efficient and will not have high deductibles.

This legislation would:

- Allow the state to leverage its heft in the marketplace, working in collaboration with our private-sector partners – many of them headquartered in Connecticut – to provide Connecticut employers the best quality and most efficient health plan choices possible.
- Allow small businesses and nonprofits to retain their best employees and attract new talent by competing with big corporate benefit packages.
- Keep costs predictable year over year. No more double-digit and erratic premium increases.
- Allow workers to seek treatment at the early stages of injury and illness and prevent catastrophic outcomes that arise when high co-pays and deductibles serve as barriers of entry. Better health care will improve the overall productivity of our workforce.
- Give all people in Connecticut the chance to access a *health* plan, not just an *insurance* plan. We're still living through the worst public health crisis of our lifetimes. Ensuring everyone in Connecticut can access health care when they need it will have tremendous public health benefits.

For Individuals and Families

For many in our state, losing a job has been a sentence to lose health coverage as well. With tens of thousands of workers now unemployed due to the pandemic, it's never been clearer that we need to provide more help to those buying health care on their own.

This bill will:

- Lower individual premiums by expanding subsidies for people under 400 percent of the federal poverty limit, eliminating premiums for people under 200 percent (individuals earning less than \$25,520) and creating new subsidies for people above 400 percent.
- Require maintenance medications for chronic conditions such as asthma and diabetes not be subject to deductibles.
- Expand Medicaid eligibility to support lower-income parents.
- Make options available for purchase by undocumented individuals and families.
- Expand the MedConnect program, allowing more people in Connecticut with disabilities access to comprehensive care.
- Create new collaboration between the Department of Labor and Access Health CT to ensure unemployed people can easily find health coverage that meets their needs.

Supporting the Health Care Economy

In my time as comptroller, and as administrator of the state employee health plan, my office has used aggressive negotiations, innovative contracting and broad collaboration to establish a new health care dynamic across the state. We have been sitting at the table, side by side, with some of the biggest and most essential employers in Connecticut.

The state health plan's primary carrier agreements with Anthem Blue Cross and Blue Shield (Anthem), UnitedHealthcare, Cigna and CVS have led to the creation of new jobs right here in Connecticut. Partnering with the state has allowed each company to grow its book of business and resulted in the development of innovative new programs, in collaboration with the state, that the companies are able to scale and bring to other markets.

I have also engaged with the hospitals and provider groups in our state to simplify payment agreements, better coordinate patient care and recognize the highest-quality doctors and facilities. Together, we are lifting the quality of care for all residents and working towards the common goal of making Connecticut the health care capital of the world.

The Connecticut Partnership Plan has an enrollment of nearly 60,000 members and over 140 participating groups. That plan has allowed the municipalities that voluntarily join to protect themselves from skyrocketing costs due to a few catastrophic health events, keep costs predictable and offer the highest-quality care to teachers, first responders and other town and city workers.

Working with the state health plan has proven to be good for Connecticut businesses and those who are already benefiting from their choice to obtain its coverage. We have an opportunity to build on that work and help thousands of people in the process.

The alternative here is to do nothing. If we won't act now, in a moment of crisis, compounded by the long-standing inequity, inaccessibility and unfairness of the current health care system, when will we? If a historically deadly, devastating global pandemic can't inspire change, what will?

Of everything happening in the world right now, this is the easy part. I urge you to make the right choice.