



Testimony of

**Sal Luciano, President  
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Insurance & Real Estate Committee  
February 9, 2021

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

Good afternoon Senator Lesser, Representative Wood and members of the Insurance & Real Estate Committee. My name is Sal Luciano, and I am proud to serve as the President of the Connecticut AFL-CIO, a federation of hundreds of local unions representing more than 220,000 members in the private sector, public sector, and building trades. Our members live and work in every city and town in our state and reflect the diversity that makes Connecticut great. Thank you for the opportunity to testify in support of SB 842 An Act Concerning Health Insurance and Health Care in Connecticut.

Before the COVID-19 pandemic, 51% of Connecticut residents struggled to afford healthcare. More than five percent of the state's population was completely uninsured in 2020 (6.8% of Black residents and 13.1% of Latino and Hispanic residents) and 43% of Connecticut adults reported foregoing or delaying care because of cost. Many were one medical bill away from financial devastation. At this time last year, we could not have imagined how much worse the situation could get. Unfortunately, now we know what a disastrous impact the pandemic has had on healthcare coverage in our state.

Today, with more than 200,000 Connecticut workers still unemployed, most have also lost the healthcare coverage that protected them and their families. They cannot afford expensive COBRA premiums. Meanwhile, Black, Latino and Native Americans are contracting COVID-19 at higher rates than whites, reflecting and compounding health care disparities that have long gone unaddressed. We are at a new crisis point. We have more urgent reasons to expand access to affordable, quality coverage than ever before.

SB 842 creates a new option for those most often excluded in the current employer-provided health insurance marketplace – employees of small businesses and non-profit organizations. It authorizes the Comptroller to offer high-quality, low-cost health insurance coverage to small businesses, non-profits and unions with multi-employer Taft-Hartley plans. The plan designs emphasize preventative care and wellness, encouraging patients to utilize high-quality, lower-cost providers unlike the high deductible plans currently flooding the small group and individual markets.

Non-profits and small businesses will be able to voluntarily choose from a range of network and benefit designs, including dental care, offered at competitive prices realized by leveraging the negotiating power of the state employee plan. It allows more than 350,000 Connecticut small businesses who are struggling during the pandemic to provide more affordable coverage for their employees. Comptroller Lembo has historically kept rate increases far below those experienced in the private sector. Without

the motives of profits, and without high-paid executives to compensate, a much greater percentage of premium dollars can be spent on actual health care.

The bill also allows creates new options for labor unions with multi-employer Taft-Hartley plans. Unions can choose the plan that most aligns with their negotiated benefits, allowing them to retain bargained wage increases and other benefits.

SB 842 does not replace health plans offered by private insurers on and off the state health insurance exchange – Access Health CT. It does not replace Medicaid/HUSKY for low-income, disabled and elderly residents, but expands eligibility so that more working-class families will be covered. It does not replace Medicare. And, it does not replace existing employer-sponsored coverage. SB 842 provides a new, voluntary option small businesses and non-profit organizations that currently find coverage cost prohibitive.

Many small businesses and nonprofit organizations cannot afford to provide health insurance to their employees, especially during the pandemic. When people can't afford health insurance, they often avoid the doctor, skip medications or delay recommended screenings. That's not good for anyone's health or wellbeing and it also ends up making health care more expensive for everyone.

SB 842 is common sense, cost effective plant to expand healthcare access and reduce costs. A majority of Connecticut voters (84%) believe that we must make changes to our healthcare system as a result of COVID-19. Seven in ten voters favor a public healthcare option and 72% of small business owners also support this proposal. We urge the Committee to heed their call and act favorably on SB 842.

Thank you for the opportunity to testify today.