

**Insurance and Real Estate Committee**  
Public Hearing Testimony Against  
SB 842: An Act Concerning Health Insurance and Health Care in Connecticut  
Joseph McDonagh  
February 9, 2021

To Insurance and Real Estate Committee Chairs Senator Lesser and Representative Wood, Ranking Members Senator Hwang and Representative Pavalock- D'Amato, and other esteemed committee members:

It is an honor to be testifying before the committee today, and I thank you all for your time. I am an insurance broker in Connecticut and a former chair of the Hamden Democratic Town Committee. Through my former as well as my current work, I can tell you that SB 842 will be detrimental to Connecticut's small businesses.

Every day, I work with small business owners to help them access quality health insurance for themselves and their employees. SB 842 will only increase costs for anyone who buys coverage in Connecticut, including individual and small group employer insurance.

In a year where small businesses have struggled more than ever, this is the wrong bill. The proposed tax runs counter to the goal of expanding coverage in Connecticut. For small businesses that are already struggling to cut costs and stay afloat during the pandemic, this tax could negatively affect Connecticut's economy for years to come.

I have heard countless heartbreaking stories about the trials these small business owners have faced. The small group market is being broken apart, by EPOs, by self-funding plans, all of which work to raise the costs for the small business owner, making employee benefits a luxury rather than a necessity. Trust me, this proposal would not only be ineffective in expanding healthcare coverage, but it is heartless. Employees need the safety net provided by their health coverage more than ever. Employers need to be able to provide for their employees, without facing additional costs.

I wish that I could endorse this proposal, but I cannot. So I call on this committee to reject this proposal. Expanding healthcare coverage is an important goal. However, this bill would do nothing in service of it, and would in fact run counter to that goal. I urge you to reject SB 842.

Sincerely,

Joseph McDonagh