

Testimony of Rick Melita
CT SEIU State Council
Before the Insurance and Real Estate Committee
February 9, 2021

Good Day members of the Committee. My name is Rick Melita, Director of the Connecticut State Council of the Service Employees International Union. SEIU represents 65,000 active and retired members in Connecticut. We represent thousands of members who have insurance provided by their employers, thousands of members who receive coverage through Taft Hartley funds, and thousands who have not YET won their struggle to obtain health care coverage.

I am here to support SB 842 **AN ACT CONCERNING HEALTH INSURANCE AND HEALTH CARE IN CONNECTICUT.**

SEIU has long advocated Connecticut implement policies to provide more healthcare access to more of our residents through allowing for a public option. Events of the last year have only served to highlight the need for such a plan. The human suffering, extraordinary costs, and economic ravages unleashed by this plague, this COVID-19 pandemic, and the ensuing incompetent federal response is astounding. It leaves a deep scar on the health and wellbeing of working families, businesses and our national economy. Here in Connecticut we lost over 7200 lives and our state has 100,000 fewer jobs since the end of 2019. Because of COVID.

Not only does this ongoing public health emergency demand immediate action. Fewer jobs mean fewer families covered by healthcare. And those most likely to be uninsured are low wage workers, and workers of color. I mentioned above that SEIU represents thousands of workers who have not YET acquired health care coverage. Unsurprisingly these low wage workers are more likely to be women or persons of color. Unsurprisingly indeed given our history. COVID has revealed that iniquity as well.

This legislative session, it is imperative that the Connecticut General Assembly address this emergency. Rather than timidly shying away from the hard work ahead it is time to go big, to take on the big challenges and to make life better for all of our residents.

This bill does that. It will give a chance to our members who have health care to maintain or improve their health care, and for those who continue to fight for health care a chance at a better future.

What are the arguments against doing this? Some argue that providing a public option will not yield savings or would cost jobs because the public sector has an unfair advantage over private insurers. If the public option is not in fact cost effective, no business non profit or Taft Hartley will opt in. And if the public option has an unfair advantage over the private sector, isn't this a tacit acknowledgement that the insurance industry is artificially inflating costs.

Ultimately this is an ideological issue- that insurance and health care must be provided by the private sector because the private sector is somehow “better, faster, cheaper” even though evidence shows quite the opposite.

According to an article called” Public Option Health Insurance Pros and Cons” *, the pros are lower costs and more people covered.

“The cons of a public option health insurance all relate to the professionals involved in healthcare. ... Private health insurers believe that a public option would put them out of business because it would cost much less and would have massive negotiating power. They would not be able to financially sustain their levels of service or **keep paying their investors**. Further, they fear that eventually so many people would flock to the public option, and the U.S. would end up with a single-payer system.”(emphasis mine)

I would like to thank the committee and proponents of the bill for their hard work putting this together, for addressing the needs of our members and all state residents who are without access to health care, for working with public employees and Taft Hartley funds on the complexities this measure presents. I hope that the commitment and cooperation continues as you the Legislature craft and vote on a bill that will benefit Connecticut’s working families . I know that there are many steps ahead and details usually are crawling with devils, but I believe that this measure could be of lasting benefit to our state, our workers and our businesses. Thank you.

* (<https://www.verywellhealth.com/public-option-health-insurance-pros-and-cons-2615248>)