



Testimony submitted by:
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Greater Danbury Chamber of Commerce
Insurance Committee Public Hearing
Tuesday, February 9, 2021

SB 842: AN ACT CONCERNING HEALTH INSURANCE AND HEALTH CARE IN CONNECTICUT

I write in **OPPOSITION** to this proposed bill. Although well-intentioned, the Greater Danbury Chamber of Commerce (GDCC) respectfully opposes a public option healthcare plan for the State of Connecticut that is currently being considered by the legislature.

Given the COVID-19 pandemic's effect on the state of Connecticut's economy, we respectfully ask that a public option bill not be passed into law this session during such a fragile time for small businesses. Increased health insurance will further impact businesses.

Public option proposals put forth by the legislature over the last couple years have faced strong opposition by Connecticut's leading experts on health insurance, not to mention our state's experienced health insurance companies.

If insurance costs outweigh premiums, a state-run public option may become a costly alternative for employers, taxpayers and those already paying high premiums.

The concern of destabilization, when a disproportionate number of individuals with greater healthcare needs or lower risk individuals opt to participate could have ill intended consequences for those already enrolled in health insurance plans. If more at risk enrollees choose the state's public option, premiums could go up significantly and raise costs thus impacting employee premiums. Conversely, if lower risk individuals opt to participate in the program, the insurance market will be more unstable and pressure to increase premiums on plans offered through the state's existing health insurance companies.

Additionally, past legislative proposals did not provide whether participants or taxpayers would be responsible for funding the plan, thus leading to greater potential burdens for businesses already facing fiscal constraints following the economic fallout of the COVID-19 pandemic.

GDCC is concerned that a public option proposal would create government competition with the private sector insurance options and could ultimately lead to government run healthcare, something our chamber members oppose.

Sincerely,

P.J. Prunty
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